



## Legislation Details (With Text)

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<b>Type:</b>	Agreement	<b>Status:</b>	Agenda Ready
<b>File created:</b>	6/30/2022	<b>In control:</b>	Board of Supervisors
<b>On agenda:</b>	7/26/2022	<b>Final action:</b>	
<b>Title:</b>	County Executive Officer requests approval of and authorization for the Chair to sign the following documents: 1. Amendment No. 1 to Agreement No. 220285B (Managing Partner Agreement 20-LC-20-2623) with the Bureau of Reclamation, transferring the Berryessa Point concession area to the County to develop and operate concessions; and 2. An Exclusive Negotiation Agreement with LB SMI, LLC (Suntex Marinas) to conduct environmental studies, site investigation and due diligence, prepare environmental documents, and enter into exclusive negotiations with the County for a long-term agreement to develop and operate resort concession at Berryessa Point.		
<b>Sponsors:</b>	Board of Supervisors		
<b>Indexes:</b>			
<b>Code sections:</b>			
<b>Attachments:</b>	1. Letter from BOR, 2. MPA Agreement, 3. Exclusive Negotiation Agreement, 4. Suntex Proposal		

Date	Ver.	Action By	Action	Result
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**TO:** Board of Supervisors

**FROM:** Minh C. Tran, County Executive Officer

**REPORT BY:** Leigh Sears, Concessions Manager

**SUBJECT:** Resort Concessions at Berryessa Point

### RECOMMENDATION

County Executive Officer requests approval of and authorization for the Chair to sign the following documents:

1. Amendment No. 1 to Agreement No. 220285B (Managing Partner Agreement 20-LC-20-2623) with the Bureau of Reclamation, transferring the Berryessa Point concession area to the County to develop and operate concessions; and

2. An Exclusive Negotiation Agreement with LB SMI, LLC (Suntex Marinas) to conduct environmental studies, site investigation and due diligence, prepare environmental documents, and enter into exclusive negotiations with the County for a long-term agreement to develop and operate resort concession at Berryessa Point.

## **EXECUTIVE SUMMARY**

On October 19, 2021, the Board of Supervisors authorized staff to pursue a fourth concessions area at Lake Berryessa known as Berryessa Point. The County issued a Request for Proposals for Berryessa Point on November 24, 2021, and LB SMI, LLC (Suntex Marinas) submitted the winning proposal. Their proposal is attached to this agenda item.

The first action requested is to approve and authorize the Chair to sign Amendment No. 1 to the Managing Partner Agreement with the Bureau of Reclamation, which will officially transfer Berryessa Point to the County for development and operation of resort concessions. A letter from BOR and the amendment are attached to this agenda item.

The second action requested is to approve and authorize the Chair to sign the Exclusive Negotiation Agreement with Suntex Marinas. The Exclusive Negotiation Agreement commits the County to negotiating exclusively with Suntex Marinas on a long term concessions agreement for Berryessa Point, while Suntex Marinas conducts due diligence, site investigations, environmental studies, and prepares CEQA and NEPA documents. The Agreement is substantially the same as the agreement with Sun Communities the Board approved last year for other concessions areas at Lake Berryessa. The Exclusive Negotiation Agreement is attached to this agenda item. A long-term concessions agreement will need to return to the Board for approval.

## **FISCAL & STRATEGIC PLAN IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	County Executive Office
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Development and operation of concessions at Berryessa Point will potentially create jobs and other economic opportunities for the local community, and recreational facilities for visitors and residents.
Is the general fund affected?	Yes
Future fiscal impact:	Minimal through these agreements. Potential future revenues and expenses to be identified and discussed during negotiations for a long-term concessionaire agreement.
Consequences if not approved:	Berryessa Point concessions area will remain vacant.
County Strategic Plan pillar addressed:	Healthy, Safe, and Welcoming Place to Live, Work, and Visit

## **ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: These activities are either not a project subject to CEQA pursuant to CEQA Guidelines sections 15060(c)(3) and 15378, or consist of information gathering and investigations

categorically exempt from CEQA pursuant to CEQA Guidelines section 15306.

## **BACKGROUND AND DISCUSSION**

In March 2020, the federal Bureau of Reclamation (BOR) and the County entered into Managing Partner Agreement Number 20-LC-20-2623 (Napa County Agreement No. 200285B), for the administration, operation, maintenance and development of public recreation facilities at Lake Berryessa. The County has already entered into an Exclusive Negotiation Agreement with Sun Lake Berryessa LLC (Sun Communities) for resort concession areas at Steele Canyon, Spanish Flat, and Monticello Shores. Sun Communities continues to examine all three sites and conduct environmental analysis.

This item involves a fourth concessions area at Lake Berryessa known as Berryessa Point. The Board of Supervisors authorized staff to pursue resort concessions at Berryessa Point on October 19, 2021. Berryessa Point is smaller than the other concession areas and may need extensive civil engineering reconstruction. However, it is a beautiful site in a prominent location along the shore. The County issued a Request for Proposals for Berryessa Point on November 24, 2021, and LB SMI, LLC (Suntex Marinas) submitted the winning proposal. Suntex Marinas currently operates the Pleasure Cove concessions area at Lake Berryessa under contract with BOR. Suntex Marinas' proposal includes new lodging (cabins, yurts, and campsites), a 400-slip marina, potentially an amphitheater or events pavilion, a trail system, and food and beverage establishments. Suntex Marinas' proposal is attached to this agenda item. Suntex Marinas estimates it will invest \$75 million at Berryessa Point, providing new employment and economic opportunities, and contributing towards revitalization of the Lake Berryessa community.

The first action requested is to approve and authorize the Chair to sign Amendment No. 1 to the Managing Partner Agreement with BOR, which will officially transfer Berryessa Point to the County for development and operation of resort concessions. A letter from BOR and the amendment are attached to this agenda item.

The second action requested is to approve and authorize the Chair to sign the Exclusive Negotiation Agreement with Suntex Marinas. The Exclusive Negotiation Agreement commits the County to negotiating exclusively with Suntex Marinas on a long term concessions agreement for Berryessa Point, while Suntex Marinas conducts due diligence, site investigations, environmental studies, and prepares CEQA and NEPA documents. The initial term of the Agreement is 24 months, though the studies, investigations, and preparation of environmental documents could be done sooner, or take longer, than the estimated 24 months. Sun Communities may extend the term by 6 months in its sole discretion, but extensions beyond 6 months will require approval of the Board of Supervisors. The Exclusive Negotiation Agreement is attached to this agenda item. It is substantially the same as the agreement with Sun Communities the Board approved last year.

Negotiations on a long term concessions agreement will focus on when and how to implement Suntex Marinas' proposal for Berryessa Point. The Exclusive Negotiation Agreement does not commit Suntex Marinas to implementing its proposal, and they are free to cease pursuing the project at any time. However, Suntex Marinas has started examining the site, and staff believes they are unlikely to back out unless studies determine the proposed concessions are impractical or infeasible at Berryessa Point. A long-term concessions agreement

will need to return to the Board for approval.