

CALIFORNIA COASTAL COMMISSION

South Coast Area Office
 1000 Ocean Gate, 10th Floor
 Long Beach, CA 90802-4302
 (562) 590-5071

Filed: 12/9/97
 49th Day: 1/27/98
 180th Day: 6/7/98
 Staff: CP-LB
 Staff Report: 1/9/98
 Hearing Date: Feb. 3-6, 1998
 Commission Action:



CP

STAFF REPORT: CONSENT CALENDAR

APPLICATION NO.: 5-97-396

APPLICANT: Long Beach Yacht Sales, Inc.

AGENTS: Roy & Janet Jones, Long Beach Yacht Sales, Inc.

PROJECT LOCATION #1: Davies Public Boat Launching Ramp parking lot,
 6201 Marina Drive, City of Long Beach, Los Angeles Co.

PROJECT LOCATION #2: Downtown Long Beach Marina (Slip GG-01 and pierhead
 overhang between Gangways GG & FF), City of Long Beach.

PROJECT DESCRIPTION: Establish mobile marine vessel maintenance service
 operations (Q-Lube) at the Downtown Long Beach Marina
 and at Davies Launch Ramp.

SUMMARY OF STAFF RECOMMENDATION:

Staff recommends approval of the proposed project with special conditions regarding water quality and the bicycle path. The applicant agrees with the recommendation.

LOCAL APPROVALS RECEIVED:

1. City of Long Beach Approval in Concept, 8/12/97.
2. Long Beach City Council approval of Permit for a Mobile Fast-Lube Operation at the Downtown Marina and Davies Launch Ramp, 8/12/97.

SUBSTANTIVE FILE DOCUMENTS:

1. City of Long Beach Certified Local Coastal Program, 7/22/80.
2. Coastal Development Permit P-79-5249 (Long Beach Downtown Marina).
3. Coastal Development Permit 5-97-216 (Davies Launch Renovation).

STAFF NOTE:

The proposed activity is subject to Coastal Development Permit requirements because the proposed addition of a new commercial use to the marina and public boat launch constitutes a change in the intensity of the use of water and land, and therefore falls within the definition of development contained in Section 30106 of the Coastal Act (See Exhibit #6).

A Coastal Development Permit is required from the Commission for the proposed development because the site is located on state tidelands within the Commission's area of original jurisdiction. Pursuant to Section 30519 of the Coastal Act, any development located within the Commission's area of original jurisdiction requires a Coastal Development Permit from the Commission. The Commission's standard of review for the Coastal Development Permit for the proposed development is the Chapter 3 policies of the Coastal Act. The City of Long Beach certified LCP is advisory in nature and may provide guidance.

STAFF RECOMMENDATION

The staff recommends that the Commission adopt the following resolution:

I. Approval with Conditions

The Commission hereby grants, subject to the conditions below, a permit for the proposed development on the grounds that the development will be in conformity with the provisions of Chapter 3 of the California Coastal Act of 1976, is located between the sea and first public road nearest the shoreline and is in conformance with the public access and public recreation policies of Chapter 3 of the Coastal Act, and will not have any significant adverse impacts on the environment within the meaning of the California Environmental Quality Act.

II. Standard Conditions

1. Notice of Receipt and Acknowledgment. The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
2. Expiration. If development has not commenced, the permit will expire two years from the date this permit is reported to the Commission. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
3. Compliance. All development must occur in strict compliance with the proposal as set forth in the application for permit, subject to any special conditions set forth below. Any deviation from the approved plans must be reviewed and approved by the staff and may require Commission approval.
4. Interpretation. Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
5. Inspections. The Commission staff shall be allowed to inspect the site and the project during its development, subject to 24-hour advance notice.
6. Assignment. The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
7. Terms and Conditions Run with the Land. These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

III. Special Conditions

1. Conformance with the Requirements of the Resource Agencies

The applicant shall, through the acceptance of this Coastal Development Permit, agree to comply with all permit requirements and mitigation measures of the California Department of Fish and Game, Regional Water Quality Control Board, U.S. Army Corps of Engineers, and the U.S. Fish and Wildlife Service with respect to preservation and protection of water quality and marine environment. In addition, the applicant or its agents shall not spill, discard or dump any fluids, materials, toxics, debris or refuse into any waterway.

2. Bicycle Path

The approved activity shall not interfere with the public's use of the bicycle path located adjacent to the project site in the Downtown Long Beach Marina. No equipment shall be parked or stored on the bicycle path.

IV. Findings and Declarations

The Commission hereby finds and declares:

A. Project Description

The applicant proposes to establish mobile marine vessel maintenance service operations (Q-Lube) at the following two locations within the City of Long Beach:

LOCATION #1: Davies Public Boat Launching Ramp parking lot, 6201 Marina Drive (Exhibit #2).

LOCATION #2: Slip GG-01 and pierhead overhang between Gangways GG & FF in the Downtown Marina (Exhibit #3).

The proposed mobile vessel maintenance service (Q-Lube) is provided by a crew in a truck which is able to perform preventative and repair services on vessels while they are docked or while they are on land using portable equipment [See Exhibits #4&5 for detailed description]. The service includes complimentary oil and hazardous waste disposal for customers.

The mobile service is currently based at the Long Beach Yacht Sales facility at the Marina Shipyard in Alamitos Bay (Exhibit #2). The truck and crew are already performing service calls to vessels at various docks and have been doing so for several months. The service calls do not fall within the Coastal Act definition of development and therefore do not fall under Coastal Development Permit requirements. Mechanics have historically made service calls to vessels for maintenance and repairs. Routine maintenance and repair of marine vessels does not require a Coastal Development Permit.

However, the applicant's current proposal is to establish the mobile vessel service as an ongoing commercial use in the two City recreation areas stated above (Davies Launch Ramp and Downtown Marina). The proposed establishment of a new commercial use within a recreation area falls within the definition of development contained in Section 30106 of the Coastal Act because a new commercial use in a recreation area constitutes a change in the intensity of the use of water and land (See Exhibit #6). Even though no permanent improvements are proposed by the applicant, a Coastal Development Permit is required in order to establish the proposed commercial use at the project locations stated above.

The Commission must act on the Coastal Development Permit application because both project sites are located within the Commission's area of original jurisdiction. Both Davies Launch and the Downtown Marina are constructed entirely on tidelands and former tidelands subject to the original jurisdiction of the Commission. Because the proposed project is located in the Commission's area of original jurisdiction, the required Coastal Development Permit must be issued by the Commission.

The Davies Launch Ramp, built in 1965, is a 24 hour a day, seven days a week public boat launching facility (Exhibit #2). The public launching facility is

about to undergo a major renovation to improve the aging facility [see Coastal Development Permit 5-97-216 (City of Long Beach)]. A 150 foot wide boat launching ramp provides access into the water, and a 350 foot floating dock allows for the loading and unloading of boat passengers and equipment near the shore. An automated gate with an entrance fee of five dollars controls entry to the facility. The exit from the site passes through a driveway with reverse flow tire damaging devices (tiger teeth). The launch ramp parking area contains 260 parking spaces for vehicles with boat trailers. The applicant proposes to locate the mobile vessel service operation in the parking area and provide vessel services for the recreational boaters who use the launch ramp.

The applicant also proposes to rent Slip GG-01 and the pierhead overhang between Gangways GG and FF in the Downtown Long Beach Marina in order to establish a permanent vessel maintenance location (Exhibit #3). As proposed, customers' vessels could moor at Slip GG-01 and be serviced by the applicant's crew using mobile equipment rolled out of the Q-Lube truck. The mobile service unit (Q-Lube truck) would be stationed on the pierhead overhang between Gangways GG and FF, next to Slip GG-01.

Commission records show that Slip GG-01 was permitted as one of the 1,694 recreational boat slips approved by Coastal Development Permit P-79-5249 (Long Beach Downtown Marina) in 1979 and constructed shortly thereafter. Approval of this application would convert the permitted use of Slip GG-01 from recreational use to a commercial use. The pierhead overhang between Gangways GG and FF is the site of a boat crane which is used to take vessels in and out of the waters of the marina.

B. Recreation and Public Access

One of the basic goals stated in the Coastal Act is to maximize public access and recreation along the coast. In order to receive the Commission's approval, the proposed project must be found consistent with the public access and recreation policies contained in Chapter 3 of the Coastal Act. The proposed project is consistent with the following Coastal Act policies which encourage public access and recreational use of coastal areas.

Section 30210 of the Coastal Act states:

In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.

Section 30211 of the Coastal Act states:

Development shall not interfere with the public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation.

Section 30212 of the Coastal Act states, in part:

- (a) Public access from the nearest public roadway to the shoreline and along the coast shall be provided in new development projects...

Section 30213 of the Coastal Act states, in part:

Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred...

Section 30220 of the Coastal Act states:

Coastal areas suited for water-oriented recreational activities that cannot readily be provided at inland water areas shall be protected for such uses.

Section 30221 of the Coastal Act states:

Oceanfront land suitable for recreational use shall be protected for recreational use and development unless present and foreseeable future demand for public or commercial recreational activities that could be accommodated on the property is already adequately provided for in the area.

Section 30224 of the Coastal Act states:

Increased recreational boating use of coastal waters shall be encouraged, in accordance with this division, by developing dry storage areas, increasing public launching facilities, providing additional berthing space in existing harbors, limiting non-water-dependent land uses that congest access corridors and preclude boating support facilities, providing harbors of refuge, and by providing for new boating facilities in natural harbors, new protected water areas, and in areas dredged from dry land.

The above stated policies of the Coastal Act require that developments near the coast provide maximum public access, lower-cost recreational opportunities, and water-oriented recreational activities. The proposed project would provide a necessary service for recreational boaters in areas that are already established as water-oriented recreational areas.

The proposed project will have minimal impacts on the existing recreational uses because the proposed mobile marine vessel maintenance unit (Q-Lube truck) and its crew would occupy approximately 300 square feet of area (10'x 30') and one boat slip (Slip GG-01). The proposed use of one slip in the Downtown Marina will not displace any recreational boater opportunities because the Downtown Marina currently has a vacancy rate of approximately thirty percent. The use of approximately 300 square feet of area for the proposed activity in the two proposed locations will also have no negative impact on public access or recreational opportunities if sited out of the way of the existing uses.

The pierhead overhang between Gangways GG and FF is located near the Regional Bicycle Path which runs from the Los Angeles River to Orange County beaches.

The Regional Bicycle Path provides public access to and along the beaches in southern Los Angeles County and is heavily used by pedestrians and bicyclists. The bike path provides the public with important coastal access opportunities.

Therefore, in order to protect public access to the coast, the approval of the permit is conditioned to require the uninterrupted provision of bicycle and pedestrian access on the bike path. The approved activity shall not interfere with the public's use of the bicycle path located adjacent to the project site in the Downtown Long Beach Marina. No equipment shall be parked or stored on the bicycle path. Only as conditioned is the proposed project consistent with the coastal access and recreation policies of the Coastal Act.

C. Water Quality

The following Coastal Act policies are relevant:

Section 30230

Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.

Section 30231

The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling run-off, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.

The proposed activity involves the handling and transportation of toxic and hazardous materials in very close proximity to coastal waters. The servicing of marine vessels includes the extraction of used oils, the changing of lubricants, battery changes, and many other repair and maintenance activities. The proposed services can be performed while vessels are in the water or out of the water. The applicant proposes to offer complimentary oil and hazardous waste disposal for customers by transporting the used materials to a Q-Lube recycling/reclaiming site at 13162 Brookhurst Avenue in Garden Grove, California.

According to the applicant, the proposed service will improve and protect water quality by providing the public with qualified professionals and

state-of-the-art equipment to properly handle the oils and fluids which are a necessary part of recreational boating today. The alternative to the proposed service, according to the applicant, is to have hundreds of do-it-yourselfers and less qualified mechanics handling the same materials with less care than the professionally certified Q-Lube technicians.

The applicant has submitted Q-Lube's generic Best Management Practices guidelines for specific maintenance, repair, and material transportation procedures as part of the proposal (Exhibit #7). Although the applicant does not anticipate any discharges into coastal waters, it has also prepared a Spill Response Plan. The proposed plan has been submitted to the California Department of Fish and Game Oil Spill Prevention and Response Unit (OSPR) for review.

This approval does not permit the applicant to discard or dump any materials, toxics, fluids, debris or refuse into any waterway. Additional approvals may be required from state or federal agencies. In order to improve coordination among the various regulatory agencies, the Commission requires, as a condition of approval, that the applicant comply with all permit requirements and mitigation measures of the California Department of Fish and Game, Regional Water Quality Control Board, U.S. Army Corps of Engineers, and the U.S. Fish and Wildlife Service with respect to preservation and protection of water quality and marine environment. These agencies may require environmental mitigation measures to minimize impacts on the marine environment. In addition, the applicant shall not discard, spill or dump materials, fluids, toxics, debris or refuse into any waterway. Only as conditioned is the proposed project consistent with Sections 30230 and 30231 of the Coastal Act.

D. California Environmental Quality Act (CEQA)

Section 13096 of Title 14 of the California Code of Regulations requires Commission approval of Coastal Development Permits to be supported by a finding showing the permit, as conditioned, to be consistent with any applicable requirements of the California Environmental Quality Act (CEQA). Section 21080.5(d)(2)(i) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment.

The proposed project has been conditioned to be consistent with the public access, recreation, and marine resource policies of the Coastal Act. As conditioned, there are no feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment. Therefore, the Commission finds that the proposed project, as conditioned, can be found consistent with the requirements of the Coastal Act to conform to CEQA.

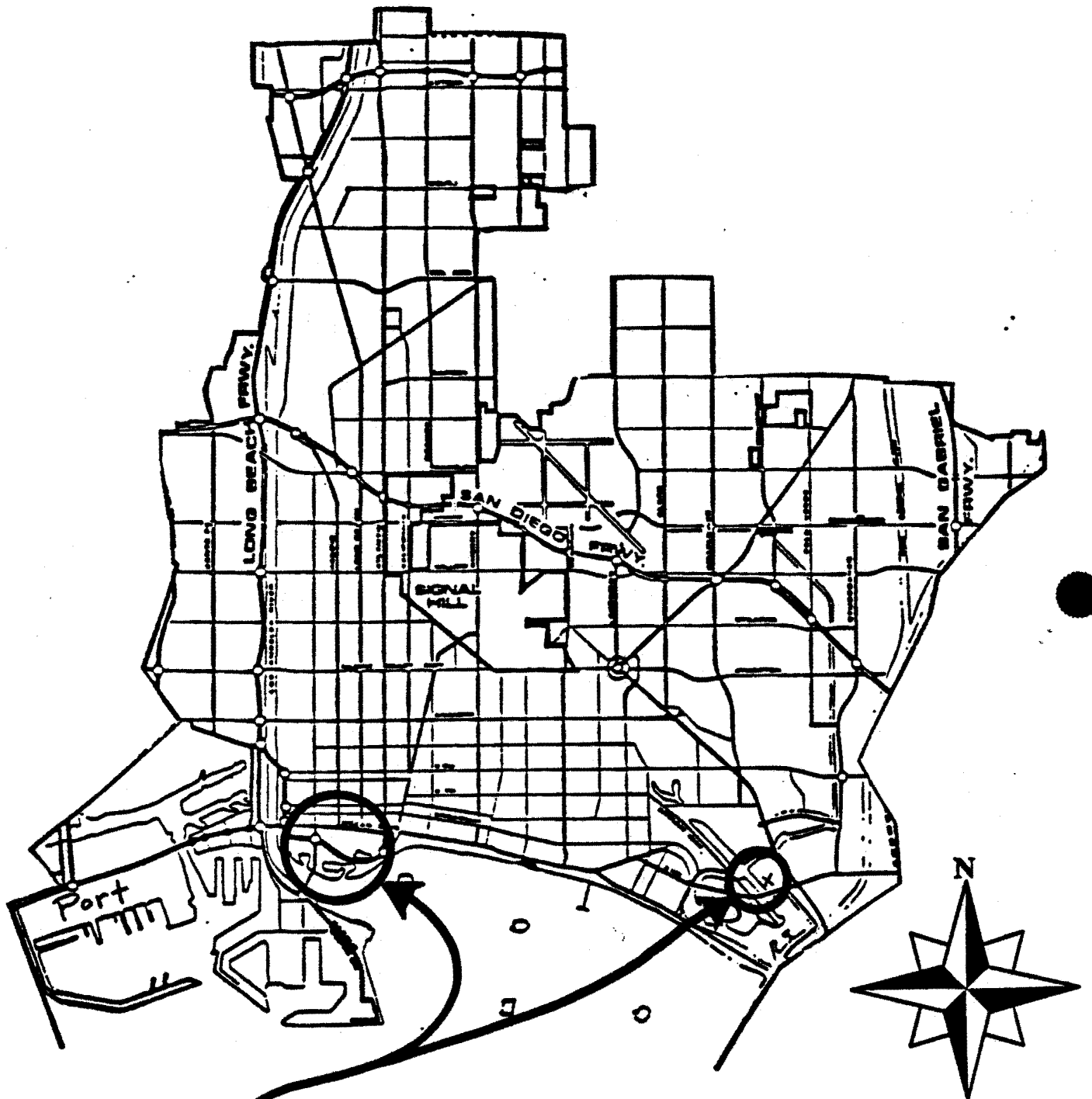
E. Local Coastal Program

The City of Long Beach Local Coastal Program (LCP) was certified by the Commission on July 22, 1980. The proposed project complies with the policies

of the certified LCP. However, the proposed project is located seaward of the former mean high tide line and in the Commission's area of original jurisdiction. Because the proposed project is located in the Commission's area of original jurisdiction, the LCP is advisory in nature and only provides guidance. The standard of review for this project is the Coastal Act. The proposed project is consistent with the policies of Chapter 3 of the Coastal Act.

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City of Long Beach



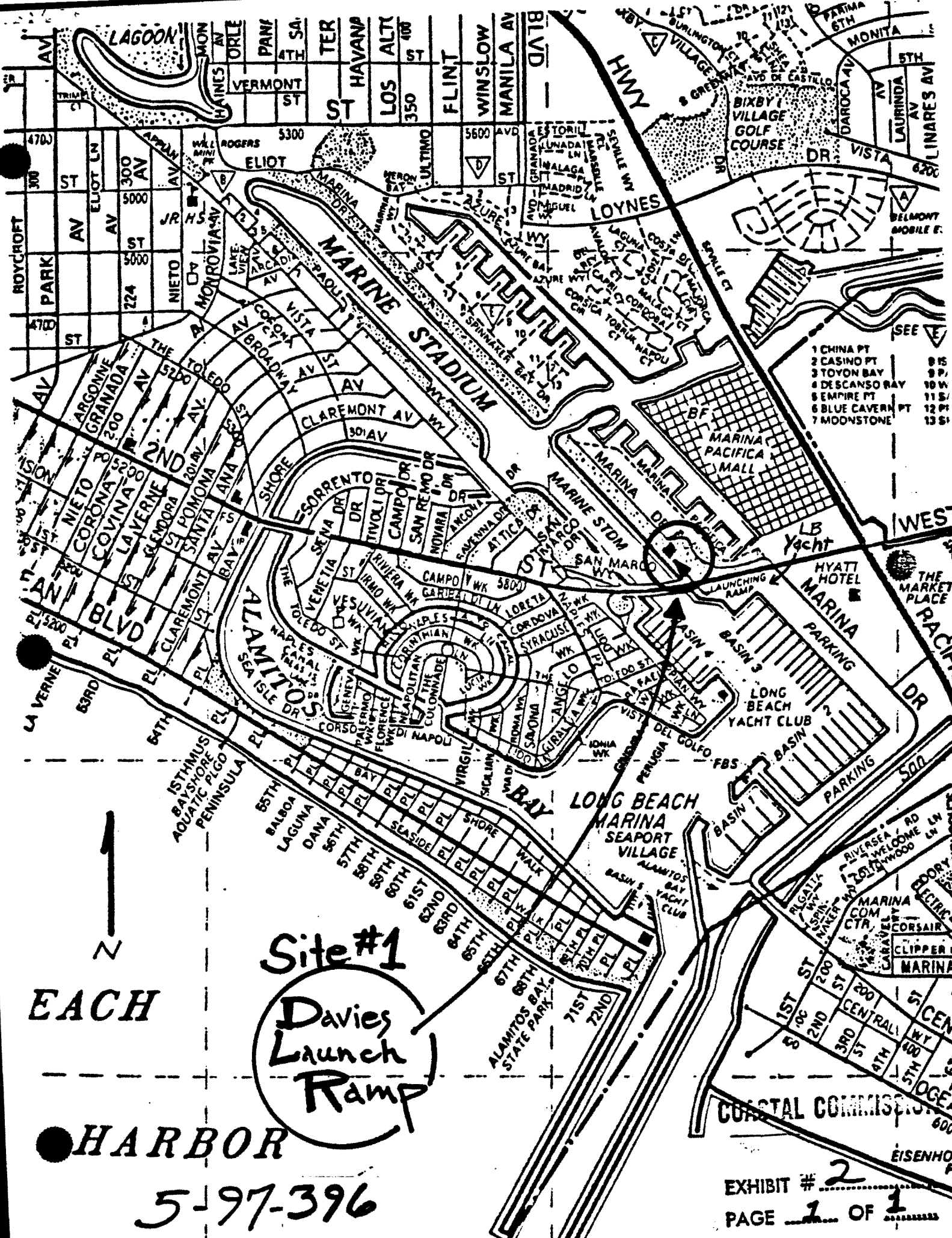
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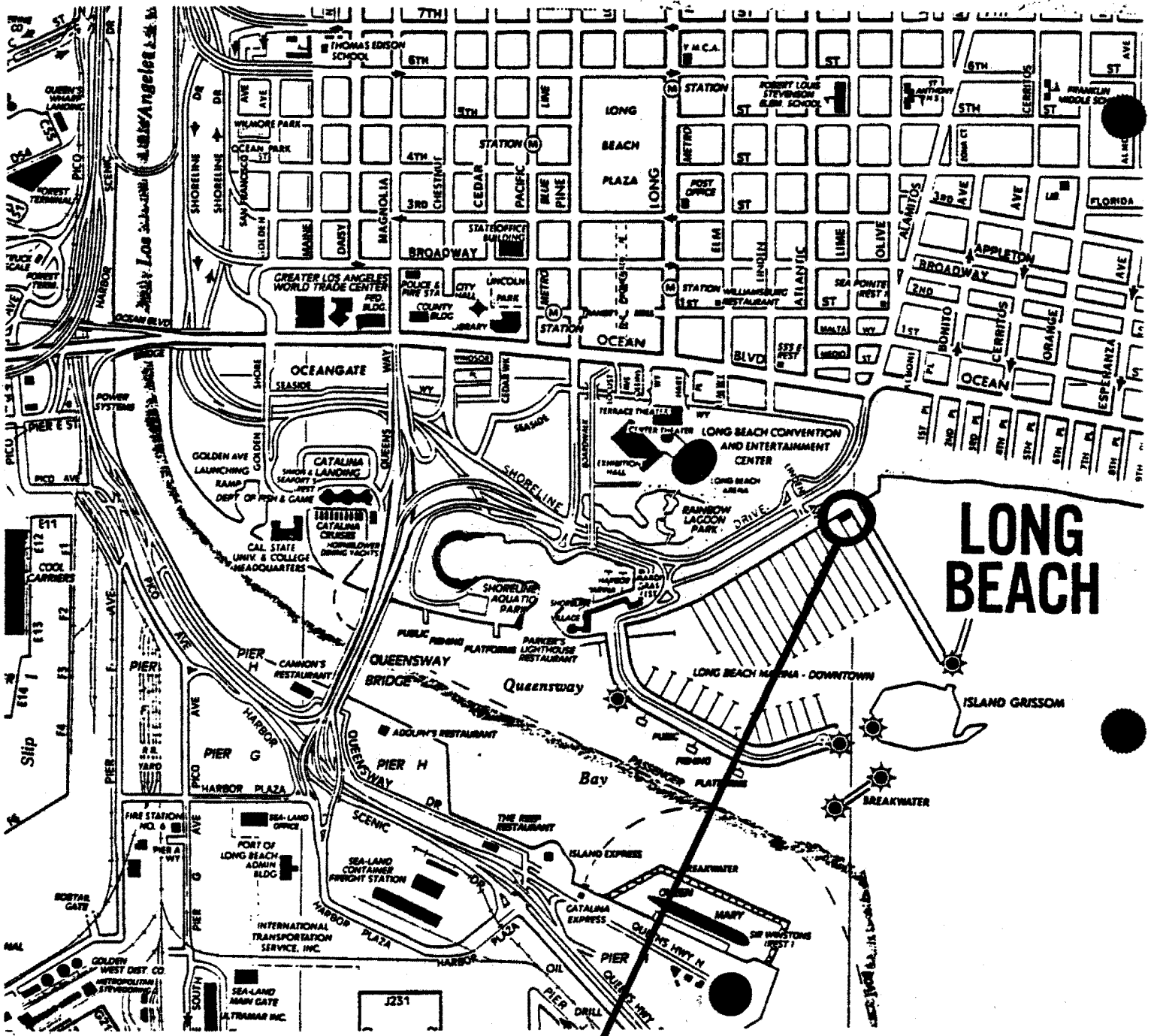
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- 4 DESCANSO BAY 11 S
- 5 EMPIRE PT 12 PT
- 6 BLUE CAVERN PT 13 S
- 7 MOONSTONE 13 S

Site #1
 Davies
 Launch
 Ramp

EACH

HARBOR

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LONG BEACH



Site #2
 Gangways FF & GG
 Slip GG-01

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 EXHIBIT # 3
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CITY OF LONG BEACH

Department of Parks, Recreation and Marine

2760 Studebaker Road, Long Beach, CA 90815-1697

#1;3

August 12, 1997

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HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

CALIFORNIA
COASTAL COMMISSION

SUBJECT: Permit with Long Beach Yacht Sales, Inc., for a Mobile Fast-Lube Operation at the Downtown Marina and the Davies Launch Ramp (2 and 3)

REVENUE: Five Percent of Annual Gross Receipts Plus an Annual Slip Fee of \$3,240/Tideland Operating Fund-Marina (39)

It is recommended that the City Council request the City Attorney to prepare and authorize the City Manager to execute a permit with Long Beach Yacht Sales, Inc., for the operation of a mobile fast-lube maintenance service for marine vessels at the Downtown Marina and the Davies Launch Ramp.

BACKGROUND

Long Beach Yacht Sales, Inc., (Yacht Sales) has been in the marine vessel sales and service industry for more than ten years and runs a successful business from the Marina Shipyard. The success of Yacht Sales has made it more difficult for them to service their customers expeditiously and they have been seeking methods of improvement. Yacht Sales has determined that implementation of recent technology developed by the Quaker State Company would enable them to offer improved service and convenience to their customers. Quaker State calls this 30-minute maintenance service "Q-Lube Marine." Prior to the development of the new technology, boats would have to be removed from the water for service. The Q-Lube Marine is a fast-lube service that allows vessels to remain in the water while the oil is being changed, much like a quick lube service for a car. The maintenance service would include engine oil, drive oil, spark plug, and filter changes.

Yacht Sales has entered into partnership with the Quaker State Company and has proposed operating a mobile Q-Lube Marine facility at the Downtown Marina on the concrete overhang between gangways FF and GG, including slip space at GG, and a facility at Davies launch ramp. Though the proposed service would be a national pilot operation debuting in California, Yacht Sales has expressed confidence in the Quaker State Company's superior safety standards and the technology of the mobile Q-Lube Marine maintenance service that addresses environmental safeguards and hazardous waste concerns. Prior to commencing operation, Yacht Sales would be required to obtain all requisite approvals and permits from regulatory agencies, including the California Coastal Commission, Department of Fish and Game, the U.S. Coast Guard, the City's Fire Department, Health Department, Department of Planning and Building, and the Business License Section of the Department of Financial Management.

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(310) 570-3100
FAX (310) 570-3109

EXHIBIT # 4

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The proposed permit will not impact the current year's budget appropriation. Furthermore, all costs associated with establishing this operation shall be the responsibility of Yacht Sales. Staff recommends City Council approval of a permit with Yacht Sales under the following terms and conditions:

Premises - The Downtown Marina, on the concrete overhang between gangways FF and GG, including slip space at gangway GG; and Davies Launch Ramp.

Use - Yacht Sales shall use the premises for mobile Q-Lube Marine maintenance service for marine vessels. The maintenance-only service shall include engine oil, drive oil, spark plug, and filter changes.

Storage and Handling - The used oil vacuumed from the vessels into the mobile containerized truck is considered combustible and hazardous material. The Fire Department and/or the Health Department must approve the storage site(s) and handling procedures to and from the permitted facilities and in-the-water safeguards, e.g., booms, and issue the requisite permits before Yacht Sales can start the operation. Yacht Sales plans to store the service trucks at their marine vessel sales and service business at the Marina Shipyard, 6400 Marina Drive, when not in use.

Term - The permit term will commence the first day of the month following the Coastal Commission's approval of the proposed mobile fast-lube operation for marine vessels. The termination date will be five years from the commencement date with two, two-year options to extend, subject to approval of the City.

Rent - Five percent of annual gross receipts. The percentage rent is to be paid in addition to slip fees. Yacht Sales shall pay a commercial rate slip fee of \$3,240, which is 120 percent of the recreational slip fee.

Insurance - Yacht Sales shall maintain insurance coverage as defined by the City's Risk Manager.

Inspection - Yacht Sales's mobile Q-Lube Marine maintenance service shall be subject to routine and other inspections as designated by the Fire Department, the Health Department and other regulatory agencies.

Assignment - Yacht Sales may assign the permit with prior consent from the City.

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EXHIBIT # 4

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Hazardous Material Contingency Plans and Spill Response Kit - Yacht Sales shall comply with all hazardous material contingency plan requirements of the U.S. Coast Guard, the Department of Fish and Game and the City's Fire and Health Departments. The plans shall be submitted to the respective agency and the City's Fire and Health Departments. In addition, Yacht Sales shall maintain a small spill response kit at each mobile fast-lube service location.

Initial Service Monitoring - The Fire Department shall be present to monitor the initial delivery of the mobile fast-lube service. The Fire Department shall determine whether they will monitor the initial service at one or all of the permitted locations. Yacht Sales shall coordinate the initial monitoring requirement with the Fire Department.

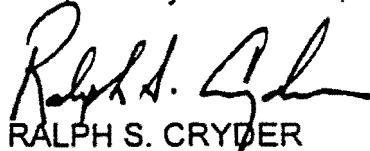
The terms of the proposed permit were reviewed by Donna F. Gwin, Deputy City Attorney, on August 1, 1997.

Financial Management reviewed and approved this letter on Friday, August 1, 1997.

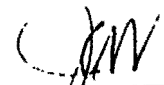
IT IS RECOMMENDED THAT THE CITY COUNCIL:

Request the City Attorney to prepare and authorize the City Manager to execute a permit with Long Beach Yacht Sales, Inc. for the operation of a mobile fast-lube maintenance service for marine vessels at the Downtown Marina and the Davies Launch Ramp.

Respectfully submitted,


RALPH S. CRYDER
Director

APPROVED:



JAMES C. HANKLA
CITY MANAGER

RSC:GP:msm

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EXHIBIT # 4

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AN EXCERPT OF THE MINUTES OF THE CITY COUNCIL MEETING
OF THE CITY OF LONG BEACH
HELD TUESDAY, AUGUST 12, 1997

22. (1) Permit with Long Beach Yacht Sales, Inc. for Mobile Fast-Lube
Maintenance Service for Marine Vessels at Downtown Marina and
Davies Launch Ramp

Councilmember Drummond moved, seconded by Councilmember Robbins, that the City Attorney be requested to prepare and the City Manager authorized to execute a permit with Long Beach Yacht Sales, Inc. for a mobile fast-lube maintenance service for marine vessels at the Downtown Marina and the Davies Launch Ramp, in accordance with the recommendation of the Director of Parks, Recreation and Marine. Carried by the following vote:

AYES: COUNCILMEMBERS: Oropeza, Drummond, Robbins,
Topsy-Elvord, Donelon,
Kellogg, Shultz.
NOES: " : None.
ABSENT: " : Lowenthal, Roosevelt.

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PROPOSAL
AGREEMENT TO PROVIDE MOBILE MARINE SERVICES

I. OBJECTIVE

Long Beach Yacht Sales, Inc., herein submits a proposal with discussion for your consideration. This proposal addresses the operation of mobile marine services within the City of Long Beach Marinas. It identifies the background/need, the involved partners, procedures and goals.

II. BACKGROUND

Long Beach Yacht Sales, Inc. (LBYS) is a California corporation, licensed in the State to sell and broker Yachts and boats and sell new boats including Boston Whalers, Robalos and new outboard engines. The principles of this company are concerned residents of the City. We also are a licensed DMV agent and provide certified mechanical repair to boaters in the area. LBYS provides a "safe haven" and outlet for sales for several banks for their repossessed vessels. These banks trust LBYS to liquidate these vessels and handle its' money in a trustworthy manner for parties involved. A copy of our company history and its' philosophy is attached for your review. (Appendix A)

Currently LBYS subleases or leases three properties from the City of Long Beach - 1) a portion of the main building at the Marina Shipyard; an office with dock space at Seaport Village (for Bay Boat Rentals) ,and 3) a Brokerage dock at the downtown Marina. The results of these agreements with the City have substantially increase tax revenues in, promoted Alamitos Bay and a 90% + occupancy on Gangway P at the Downtown Marina for the City.

With the sales of new and used marine products has come the development of a full service department. The service business has brought to our attention that there is a shortfall in the boating industry. The industry in general has not developed in the same manner as has the auto industry in providing mechanical service and maintenance to participants. Consumers currently have few if any means for fast, convenient, quality lubrication and professional maintenance . The need for this type of service has been clearly indicated in national studies conducted by some of the largest marine manufacturers and published by the National Marine Manufacturers Association (NMMA - see appendix B for excerpts)

The results of this lack of quick no hassle service has been that customers do not maintain their vessels in the appropriate manner recommended by the manufacturer because of the many "hassles" involved. Those hassles include but are not limited to:

- a. Few locations for service are available

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EXHIBIT #5.....

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- b. No procedures are set at service centers for handling quick maintenance items such as gear lube and oil change.
- c. It often takes weeks to have normal maintenance completed.
- d. Handling and disposal of used oil; batteries; plugs, etc. becomes a major issue

Lack of maintenance (some consumers run their vessels until they break) results in horrendous service repair bills. Hazardous waste is not disposed of nor handled properly. Many of the sinking and abandoned vessels encountered in the marinas could have been alleviated through minimal maintenance. Consumers are disheartened and disillusioned with boating because of these high costs and issues. Consumers would never think of going two years without servicing and sometimes starting their cars but it is a common occurrence in the boating industry.

III. PARTNERSHIP

Quick regular maintenance of automobiles until about fifteen years ago was also a novelty. Initiation of the first quick lube service occurred in Salt Lake City called Minit-lube in 1977. Minit-lube became part of the Quaker State organization in 1985. With the change over to the Q-Lube name has come substantial success through providing a high level of service and professionalism. Q Lube is just as concerned with doing things right. All used oil is recaptured and handled in an environmentally safe manner. Q Lube even offers to dispose of oil safely for the do-it-yourselfer.

Q Lube has recognized the need for quick professional marine services not unlike that of the automobile industry. With that need identified they are initiating two test markets in the United States, one in Florida and one in California. The location chosen as the pilot store for the United States with mobile services is Long Beach California. This effort will be showcased throughout the United States. The concept is exciting and will clearly show the area as innovative and farsighted both for the boater and the environment.

Q Lube has chosen as it's partner in this new concept Long Beach Yacht Sales, Inc. The two organizations will form a company (Q Lube Marine) which will be closely watched by everyone in the industry. Currently, necessary documents showing regulatory compliance are being reviewed by the appropriate City Departments,

IV. NEED

As identified in industry studies there is a need and desire for this service. Currently there are few service locations in the marketplace. Bill's Marine, which just closed, was located off of the water, had one van and worked out of a double garage under a private home. They were not factory authorized for any certified service. LBYS is certified with Yamaha; Mercury; Mercruiser, Honda, Volvo and OMC jets. We also carry a \$5,000,000 liability insurance policy.

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EXHIBIT # 5

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The gas dock is approved to perform oil changes. However, this activity is only by advanced appointment and occurs only if the operator of the equipment is not out on a tow on their Vessel Assist Boat of which he is the captain and deckhand. Out proprietary equipment design allows for safer evacuation of oil through a contained system.

There is a clear need in the Long Beach area based on the following:

Slips

Currently the Long Beach Market Area consists of two city controlled harbors that provide berths for pleasure boaters as indicated below:

Alamitos Bay -	1,969 City Controlled Slips
	1,200 Private Slips
Shoreline Marina -	1,831 City Controlled Slips
Total Slips	5,000 *

Additionally, one mile south of our location, there are over 4,000 slips in Huntington Harbour as well as a five lane trailerable boat launch ramp.

* Note that many of the vessels berthed in these slips have multiple engines for service due to twin engine installations, generators and tenders with outboards.

Launch ramps

The Long Beach Marina area is served by three local launch ramps that represent a total of 60,000 boat launchings per year. The busiest of the three ramps is located 100 yards from our main office with the next busiest ramp being only 250 yards away. The sail boat ramp is about two miles away from the main office of Long Beach Yacht Sales. An additional ramp is being planned adjacent to the Queen Mary by Shoreline Marina.

V. PROPOSAL

Q Lube Marine will put into operation mobile marine services for preventive maintenance and light emergency service. The mobile services will occur from a truck designed for quick engine oil, drive oil, spark plug and battery changes, etc.. We will provide gratis oil and hazardous waste disposal for the consumer.

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The truck will pull up to a location designated by the City as appropriate and will stage for quick service of vessels in the water. If it is determined that the customer requires more extensive service, they will be referred to a stationary service dealership. After the service is performed for the day, the truck will dispose of hazardous waste at one of Quaker State's reclamation/recycling facility. Every effort has been made to assure full environmental compliance and safety operations. With over 500 locations for the Q-Lube/Quaker State organization, their track record for environmental compliance is spotless. They carry a \$5,000,000 liability insurance policy.

Q Lube Marine proposes the following:

- * Rent the pier head between GG and FF and one slip (GG-01) for drive in boat service at the Downtown Marina. We would be willing to rent the slip at the commercial rate plus 5% of gross receipts at the location.
- * When a location becomes available in Alamitos Bay, we would like to further develop the concept in at marina. The pierheads (Pier 1, 2 or 3) or oil dock row would work for this type of operation.
- * Access to Davies Launch Ramp - fees would be based on a daily access fee plus 5% of gross receipts for truck operations at that location.

The initial term of this agreement would be for five years. Additional increments of five years for three additional terms beyond the initial term would be requested.

VI. BENEFITS

There are substantial benefits to this proposal, not only for area boaters, but for the public in general. Those benefits include but are not limited to:

- * Controlled handling of hazardous materials and hazardous waste
- * Reclamation of oils
- * Disposal in the appropriate manner of hazardous waste.
- * Better and reasonable service for the boating community
- * Access to emergency services that are not expensed to the City
- * Increased tax revenue for the City
- * Enhanced image nationally for the City
- * Seven day a week service
- * Income to the City with no City funds to be used to develop the project
- * Visible commitment on behalf of the City towards the boating community
- * Handling and transportation of spent oil under the care & custody of an insured multi-million dollar corporation.
- * Up front involvement with a local company that is willing to support and further invest in the City.

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- * Long range commitment to supporting community projects such as:
 - taking over the marina oil sumps
 - fish habitats
 - Supporting and promoting the Aquarium
- * National Industry exposure showing the City's progressive stance towards business while addressing environmental issues.
- * Exposure to the Department of Boating & Waterways showing ongoing support on behalf of the City towards the needs of the local boating community

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CALIFORNIA COASTAL COMMISSION

South Coast Area Office
200 Oceangate, 10th Floor
Long Beach, CA 90802-4302
(562) 590-5071



September 2, 1997

Jan L. Coyne-Jones
Long Beach Yacht Sales, Inc.
6400 Marina Drive, #8
Long Beach, CA 90803

Re: Exemption request for proposed "Q-lube" operation in Long Beach marinas.

Dear Ms. Coyne-Jones:

We have reviewed your August 20, 1997 request for exemption from Coastal Development Permit requirements for the proposed Q-lube marine vessel service operations proposed in the Downtown Long Beach Marina and at the Davies public boat launch in Alamitos Bay. The proposed activity is described as a mobile commercial operation for the servicing of boat motors while the vessels remain in the water, similar to a quick lube service for automobiles. Used oil and engine parts will be transported from customers' vessels to a mobile containerized truck for recycling and/or disposal on land. The proposed activity is a new commercial activity which is proposed to occupy three locations: 1) a portion of the Davies public boat launch, 2) the concrete overhang between gangways FF and GG in the Downtown Marina, and 3) slip space at gangway GG in the Downtown Marina.

Based on the information provided in your August 20, 1997 letter, our office has determined that the proposed activity falls within the Coastal Act definition of "development", and therefore must obtain a Coastal Development Permit. There is no provision of the Coastal Act which would exempt the proposed activity from Coastal Development Permit requirements.

Section 30106 of the Coastal Act defines Development as:

"Development" means, on land, in or under water, the placement or erection of any solid material or structure; discharge or disposal of any dredged material or of any gaseous, liquid, solid, or thermal waste; grading, removing, dredging, mining, or extraction of any materials; change in the density or intensity of use of land, including, but not limited to, subdivision pursuant to the Subdivision Map Act (commencing with Section 66410 of the Government Code), and any other division of land, including lot splits, except where the land division is brought about in connection with the purchase of such land by a public agency for public recreational use; change in the intensity of use of water, or of access thereto; construction, reconstruction, demolition, or alteration of the size of any structure, including any facility of any private, public, or municipal utility; and the removal or harvesting of major vegetation other than for agricultural purposes, kelp harvesting, and

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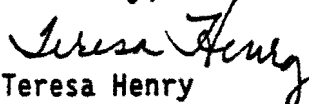
timber operations which are in accordance with a timber harvesting plan submitted pursuant to the provisions of the Z'berg-Nejedly Forest Practice Act of 1973 (commencing with Section 4511). As used in this section, "structure" includes, but is not limited to, any building, road, pipe, flume, conduit, siphon, aqueduct, telephone line, and electrical power transmission and distribution line.

The proposed addition of a new commercial use to the marina and public boat launch constitutes a change in the intensity of the use of water and land, and therefore falls within the above stated definition of "development". Section 30600(a) of the Coastal Act requires that all development in the coastal zone obtain a Coastal Development Permit.

Section 30600 (a): In addition to obtaining any other permit required by law from any local government or from any state, regional, or local agency, on or after January 1, 1977, any person wishing to perform or undertake any development in the coastal zone, other than a facility subject to the provisions of Section 25500, shall obtain a Coastal Development Permit.

Because the proposed activity would take place on public tidelands or in the water (the Commission's area of original jurisdiction), the Coastal Commission would process the required Coastal Development Permit application. If you intend to proceed with the implementation of the proposed activity, please submit a completed Coastal Development Permit application to our Long Beach office for processing. If you have any questions, please call Charles Posner at (562) 590-5071.

Sincerely,


Teresa Henry
District Manager

cc: Alison Dettmer, Coastal Commission Energy Division
Gwendolyn Parker, City of Long Beach Parks, Recreation & Marine
Jack Humphrey, City of Long Beach Planning Department

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BEST MANAGEMENT PRACTICE PLAN

I. GENERAL INFORMATION

Facility Name Q Lube #1001
Address 10620 South 700 East
Sandy, UT 84070

Mailing Address: Q Lube, Inc.
Attn:
1385 West 2200 South
Salt Lake City, UT 84119

Plan Contact	_____	Title	_____
Work Phone #	_____		
Emergency Response Contact	<u>Matt Johnson</u>	Title	<u>Store Manager</u>
Work Phone #	<u>576-9445</u>	After Hours Phone #	<u>798-6633</u>
Secondary Contact	<u>Ron Camp</u>	Title	<u>Market Manager</u>
Work Phone #	<u>975-4777</u>	After Hours Phone #	<u>557-0528</u>

II. RISK IDENTIFICATION - Our oil is stored in Above Ground Storage Tanks in the pit area. Waste oil is stored in one (1) 500 gallon tank, and new oil is stored in three (3) tanks, with 500 gallons each, and one (1) with 400 gallons.

III. GOOD HOUSEKEEPING - Any oil that is spilled is cleaned up immediately with oil absorbent material or rags and disposed of properly. After initial clean-up of spilled oil, any remaining oil is cleaned with a mop, and the mop water is disposed of into the sump for treatment in the oil/water separator.

IV. PREVENTATIVE MAINTENANCE

Equipment/Procedures

The waste oil tank is checked every time it is emptied by the waste oil hauler, which is once or twice a month. Readings are taken weekly from the metered guns located at each bay. Safety equipment items such as goggles, hats, burn sleeves, and gloves are available in the storage area.

The most common spills at our facility are smaller than a quart and require very minimal cleanup.

Spill or Release Procedures

Above Ground (Less than 25 gallons)

An above ground release usually results from a spill or overfill that occurs when a tank is being filled or emptied. Because the spill or overfill is immediately visible, above ground releases are not subject to the various confirmation steps that apply to underground releases. The steps to clean up a spill of this nature are:

- a. Contain the spill and clean up immediately using an absorbent rag or clay absorbents such as kitty litter.
- b. Dispose of the contaminated absorbent in accordance with federal, state and local regulations.
- c. Mop any remaining oil and dispose of the mop water into the sump.
- d. Notify the Market Office immediately.

If the spill or release is cleaned up immediately, it is not necessary to notify the federal, state or local governing body.

Container Labeling

The center manager will verify that all containers received for use will:

- * Be clearly labeled as to the contents.
- * Note the appropriate hazard warning.
- * List the manufacturer's name and address.

It is the policy of this company that no container will be released for use until the above data is verified.

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The Manager will ensure that all secondary containers are labeled with either an extra copy of the original manufacturer's label or with the "central stores" generic labels which have identification and hazard warning blocks.

- V. **INSPECTIONS AND RECORDS** - In order to maintain compliance with our discharge permit, copies of manifests of any wastes disposed of are kept on file at our facility. These manifests include waste oil disposal and interceptor cleaning, if applicable.
- VI. **SECURITY** - Our facility is well lit and locked after hours.
- VII. **EMPLOYEE TRAINING** - The manager is responsible for employee training. All employees are required to attend training meetings where we discuss product handling and the care and maintenance of the equipment used at this facility. We also discuss the BMP requirements during our meetings.
- VIII. **USED OIL MANAGEMENT**

Procedures

It is very important when dealing with used motor oil to ensure that the oil remains segregated from other wastes. The mixture of parts washer solvents, paint thinner, carburetor cleaner and/or anti-freeze with used oil could render the entire mixture hazardous waste. Used oil containers should be clearly marked "USED OIL ONLY," and the restriction must be strictly enforced.

Safety

The best safety policy for handling used motor oil is prevention. Accidents and possible injury can be avoided by following the simple precautions listed below:

1. Whenever working with used oil, wash hands frequently and stay as clean as possible.
2. Use safety goggles at all times when working in the lower level. This will prevent possible splashes of used motor oil into or near the eyes.
3. Eye wash and neutralizer must be kept in the lower level at all times. This will allow the eyes to be washed out should any used oil or other chemicals be splashed into them.
4. Always wear burn sleeves to prevent hot oil, exhaust pipes, etc., from coming into direct contact with the skin. If the burn sleeves are soaked with used motor oil, launder them weekly through your local laundry

company and have an ample supply of burn sleeves available to replace the ones being laundered.

Each employee is trained and shown where information is on all chemicals used. Each chemical has an MSDS sheet. The sheets are posted on the wall and they are also available in a binder for employee use. As changes occur, the employees are kept current on these changes, and when additional training is necessary, they are trained. The employees also, after completing preliminary training, are obligated to sign a confirmation statement that is put in each employee's file.

IX. EMERGENCY RESPONSE EQUIPMENT AND PROCEDURES

Suspected Underground Releases NOT APPLICABLE FOR THIS SITE

What do you do when you first suspect an underground release? You may have to report it within 24 hours, and you may also have to confirm that the release actually did occur. How you do that depends on how you have come to suspect the release. If a release is discovered at the Underground Storage Tank (UST) site or immediate vicinity:

- a. Report suspected release immediately to the Market Office. They will then immediately report the suspected release to the Q Lube Legal Department.
- b. The Legal Department will then report to the implementing governmental agency within 24 hours.
- c. Check the operation of all monitoring and operating equipment within 24 hours.
- d. Take appropriate action to prevent any further release.
- e. Identify and eliminate any fire, explosion and vapor hazards.
- f. Investigate and confirm the release within 7 days. (This includes tank and line testing.)

If the release is confirmed, it will be necessary to follow the guidelines set forth by the governmental agency implementing the standards to ensure that the release is cleaned up properly.

If all testing and monitoring show that there was no release, no further steps are required.

All state and federal regulations regarding used motor oil and underground storage tanks will be kept on file in the Market Office. The O Lube Legal Department will assist you if you have any questions or concerns.

Agencies or Contractors to notify in case of a Spill:

<u>Specialty Oil</u>	<u>364-9444</u>
<u>South Valley Water Reclamation Facility</u>	<u>566-7711</u>

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