



2  
4

**DEPARTMENT OF PARKS  
AND COMMUNITY SERVICES**

ROBERT P. THOMAS  
DIRECTOR

G. ERLING LINGGI  
ASSISTANT DIRECTOR

WALTER S. UEDA  
DEPUTY DIRECTOR

Budget & Finance Committee  
Sacramento, California

Honorable Members in Session

**SUBJECT: Sacramento Marina Proposed Fee Increase**

**SUMMARY**

This report provides information on the Sacramento Marina enterprise operations and the Sacramento Marina expansion. The report also recommends an average berth license fee increase of approximately 4% effective August 1, 1989.

**BACKGROUND INFORMATION**

The Sacramento Marina was constructed by a private developer in 1958 and operated under a concession agreement until June 1, 1977. At that time the City of Sacramento, Department of Parks and Community Services took over the operation of the then 289 slip marina.

The City, through the Marina Enterprise Fund, has expended over \$992,000 in capital improvement projects since taking over the operation in 1977.

In May 1984, the City Council approved the Sacramento Marina Expansion Feasibility Study and Miller Park Master Plan. The Council also authorized the Department of Parks and Community Services to apply to the State of California Department of Boating and Waterways for \$8,150,000 in loans to undertake the marina expansion. To date, \$7,650,000 has been received for the project. The remaining \$500,000 is scheduled for July 1990.

As part of the terms and conditions of the loan contract, the City is required to: (1) have an average annual berth rate of \$6.00 per foot per month beginning July 1, 1992; (2) each year conduct a survey of berth charges which prevail in the same market area and establish berth rates which are reasonable and not exorbitant (see Exhibit A); and (3) make every effort to develop a reserve fund of \$500,000 by the end of F.Y. 1994-95.

**CITY OF SACRAMENTO**  
CALIFORNIA

May 23, 1989  
89-05-31

1231 I STREET  
SUITE 400  
SACRAMENTO, CA  
95814-2977

916-449-5200

DIVISIONS:  
CROCKER ART MUSEUM  
GOLF  
METROPOLITAN ARTS  
MUSEUM AND HISTORY  
PARKS  
RECREATION  
ZOO

205

These conditions and an annual debt service payment of \$600,000 will require that the Sacramento Marina be competitive with the surrounding market area and maintain a minimum occupancy rate of approximately 95% annually.

Given these conditions and the fact that the Marina offers new, top-quality berths, and will offer a marina office facility with boater's meeting room, lighted parking and landscape around the entire basin, staff is proposing that a fee increase of approximately 4% be approved.

The Budget Office has provided assistance in determining the appropriate fee increase schedule and cash flow necessary to meet the upcoming debt obligations. Exhibit B provides a fee schedule and cash flow chart.

The proposed fees per foot, per month are listed below:

<u>South Basin</u>	<u>Existing</u>	<u>Proposed</u>
Covered berths	\$5.10	\$5.30
Open berths	3.30	3.45
<u>North Basin</u>		
Covered berths	\$5.65	\$5.85
Open berths	4.50	4.70

Marina Expansion Update

A timeline and brief description of the work to be performed during each phase is listed below:

Phase I began in August of 1985 and was completed in July 1987. The main items in this contract were the excavation of the north basin, relocation of some south basin docks and the installation of shore-side utilities.

Phase II began in July of 1987 and was completed in July 1988. The main item of this contract was the fabrication and installation of new docks.

Phase III is scheduled to begin in September of 1989 and be completed in June 1990. The main items of this contract are the marina administration building, parking and partial landscaping.

Phase IV will begin July 1989 and be completed in June of 1990. The major items in this contract will include roadway realignment/parking, lighting, landscaping and view decks.

805

FINANCIAL DATA

The proposed average berth fee increase will generate approximately \$36,000 in new revenue for the Marina Fund for F.Y. 1989/90.

Total projected revenue to the Marina for F.Y. 89/90 is \$1,270,000 and has been included in the proposed F.Y. 89/90 City budget. This revenue will offset projected total operating and CIP costs of \$1,206,000. (See Exhibit B for more detail)

POLICY CONSIDERATIONS

The proposed fee increase is consistent with the City's policy of enterprise operations generating appropriate revenue to pay for all operating and C.I.P. costs.

The noticing procedure for fee increases was followed.

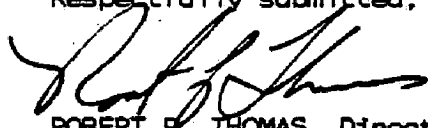
MBE/WBE

No impact.

RECOMMENDATION

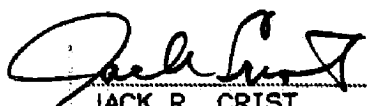
It is recommended that the Budget and Finance Committee approve this report and refer it to full City Council for action. Further, this report recommends that City Council approve, by resolution, an increase in Boat Harbor berth license fees to be effective August 1, 1989.

Respectfully submitted,



ROBERT P. THOMAS, Director  
Parks and Community Services

Recommendation Approved:



JACK R. CRIST  
Deputy City Manager

CONTACT PERSON:

KEN HARRIS, RECREATION SUPERINTENDENT  
449-2031

All Districts  
June 7, 1989

RPT:KH:cks

88  
4

# RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

## RESOLUTION AMENDING FEES AND CHARGES FOR VARIOUS PARKS AND COMMUNITY SERVICES RELATED LICENSES PERMITS, SERVICES AND FACILITIES

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. That fees and charges for various City licenses, permits, services and facilities are hereby amended to reflect the Parks and Community Services (Marina) related fees and charges as set forth below:

Berth license fees for the Sacramento Marina shall be effective August 1, 1989 as follows:

<u>South Basin</u>	
Covered berths	\$5.30 per ft.
Open berths	3.45 per ft.
<u>North Basin</u>	
Covered berths	\$5.85 per ft.
Open berths	4.70 per ft.

2. That the City of Sacramento Fees and Charges Report (page 61a) is hereby amended to reflect the Parks and Community Services related fees and charges as set forth above.
3. Based upon the information presented to it and upon all information in the public record, and in compliance with the Public Resources Code, Section 21080(b)(8), the City Council finds; a) the increased fees are for the purpose of meeting operating expenses, including employee wage rates and fringe benefits; and b) the increase fees are for the purpose of meeting the ongoing Capital Improvement Program; and c) the increase fees are for the purpose of obtaining funds for the debt service for the development of the new marina.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

**FOR CITY CLERK USE ONLY**

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_

8  
4

CITY OF SACRAMENTO  
Department of Parks and Community Services

MARINA RATE COMPARISON  
May 1989

COVERED BERTHS:

<u>Name of Marina</u>	<u>Location</u>	<u>Notes</u>	<u>Rate Per Foot</u>
Riverbank.....	Sacramento.....		\$7.32
Delta Bay Club.....	Isleton.....		7.00
Oxbow.....	Isleton.....		6.07
Riverview.....	Sacramento.....		6.00
Sacramento Marina.....	Sacramento..(North Basin Proposed).....		5.85
Sacramento Marina.....	Sacramento..(North Basin Actual).....		5.65
Freeport.....	Freeport.....		5.50
Cliff's.....	Freeport.....		5.50
Spindrift.....	Isleton.....		5.31
Sacramento Marina.....	Sacramento..(South Basin Proposed).....		5.30
Delta.....	Rio Vista.....		5.10
Sacramento Marina.....	Sacramento..(South Basin Actual).....		5.10
Outrigger.....	Rio Vista.....		5.04
Lighthouse.....	West Sacramento.....		5.00
B & W.....	Isleton.....		4.50
Perry's.....	Isleton.....		4.17
Alamar.....	Sacramento.....		3.93
Metro.....	Sacramento.....		3.67

OPEN BERTHS:

<u>Name of Marina</u>	<u>Location</u>	<u>Notes</u>	<u>Rate Per Foot</u>
Delta Bay Club.....	Isleton.....		\$6.00
Riverbank.....	Sacramento.....		5.82
Riverview.....	Sacramento.....		5.00
Freeport.....	Freeport.....		5.00
Sacramento Marina.....	Sacramento..(North Basin Proposed).....		4.70
Cliff's.....	Freeport.....		4.50
Sacramento Marina.....	Sacramento..(North Basin Actual).....		4.50
Four Seasons.....	West Sacramento.....		4.50
Lighthouse.....	West Sacramento.....		4.50
Spindrift.....	Isleton.....		4.50
Sherwood.....	Sacramento.....		4.25
Alamar.....	Sacramento.....		4.00
Metro.....	Sacramento.....		4.00
Delta.....	Rio Vista.....		3.93
B & W.....	Isleton.....		3.75
Sacramento Marina.....	Sacramento..(South Basin Proposed).....		3.45
Sacramento Marina.....	Sacramento..(South Basin Actual).....		3.30
Perry's.....	Isleton.....		3.00
Andreas Cove.....	Isleton.....		2.85

Boat Harbor Fund (\$000)	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00
Beginning Fund Balance	\$6	\$254	\$268	\$198	\$136	\$84	\$69	\$101	\$156	\$264	\$461	\$701
Slip Fees - Existing Open	3.30	3.43	3.72	4.03	4.34	4.64	4.94	5.23	5.55	5.83	6.12	6.42
Existing Covered	5.10	5.30	5.75	6.23	6.71	7.17	7.63	8.09	8.57	9.00	9.45	9.93
New Open	4.50	4.68	5.08	5.50	5.92	6.32	6.73	7.14	7.57	7.94	8.34	8.76
New Covered	5.65	5.88	6.38	6.90	7.44	7.94	8.45	8.96	9.50	9.97	10.47	11.00
Average	5.09	5.30	5.75	6.22	6.71	7.16	7.62	8.08	8.57	8.99	9.44	9.92
Percent Increase	.00%	4.00%	8.50%	8.25%	7.75%	6.75%	6.50%	6.00%	6.00%	5.00%	5.00%	5.00%
Revenues												
Interest	90	90	75	75	55	55	50	50	50	50	50	50
User Fees												
Existing	370	385	418	452	487	520	554	587	622	653	686	720
New	523	544	590	639	688	735	783	830	879	923	969	1,018
Oil & Gas	200	229	240	252	265	278	292	306	322	338	355	373
Other	21	22	23	24	25	26	27	29	30	32	33	35
Total Current Resources	1,204	1,270	1,346	1,442	1,520	1,614	1,705	1,802	1,903	1,996	2,093	2,195
Current Requirements												
Employee Services	205	214	225	236	248	260	273	287	301	316	332	349
Other Services & Supplies	399	494	519	545	572	600	630	662	695	730	766	805
Equipment	4	4	4	5	5	5	5	6	6	6	7	7
Expansion Operating	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service	14	168	378	494	563	598	598	598	598	598	598	598
Debt Accural	154	193	106	63	23	0	0	0	0	0	0	0
Transfers Out	31	33	34	36	38	40	42	44	46	48	50	53
Subtotal Cur. Operations	807	1,106	1,266	1,378	1,448	1,503	1,549	1,596	1,646	1,698	1,753	1,811
Capital Improvements:												
Dredging	10	25	25	25	25	25	25	25	25	25	25	25
Dock Replacement	0	75	75	75	75	75	75	75	75	75	75	75
Marina	300	0	0	0	0	0	0	0	0	0	0	0
Other	64	0	0	0	0	0	0	0	0	0	0	0
Subtotal CIP	374	100	100	100	100	100	100	100	100	100	100	100
Total Current Requirements	1,181	1,206	1,366	1,478	1,548	1,603	1,649	1,696	1,746	1,798	1,853	1,911
Total Current Surplus	23	64	( 20)	( 36)	( 28)	10	57	106	157	198	240	284
Other Fund Sources (Uses)	225	( 50)	( 50)	( 25)	( 25)	( 25)	( 25)	( 50)	( 50)		0	0
Ending Fund Balance (Deficit)	\$254	\$268	\$198	\$136	\$84	\$69	\$101	\$156	\$264	\$461	\$701	\$986