



S. A.

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AND COMMUNITY SERVICES

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May 24, 1990

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PARKS AND RECREATION  
• NORTH  
• SOUTH  
• CITY-WIDE

Budget and 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 a berth rental fee increase effective July 1, 1990.

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.

In May 1984, the City Council approved the Sacramento Marina Expansion Feasibility Study and Miller Park Master Plan. The Council 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 in loans have been approved for the project and the City has received the funding.

Marina Expansion Update

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

- o Phase I began in August of 1985 and was completed in June 1987. The main items in this contract were the excavation of the north marina basin, relocation of some south basin docks and the installation of shoreside utilities:

- o Phase II began in July of 1987 and was completed in June of 1988. Contract called for the fabrication and installation of new docks.
- o Phase III began July of 1988 and we anticipate completion in June 1990. Contract included the marina administration building, parking and partial landscaping.
- o Phase IV began October 1988 and we anticipate completion by June 1, 1990. The major items in this contract included roadway realignment/parking, lighting, landscaping and view decks.

As part of the terms and conditions of the loan contract with the State Department of Boating and Waterways, 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 berthing charges which prevail in the same market area and establish berthing 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 FY 1992-93.

These terms and a debt service payment of \$452,000 require that the Sacramento Marina be competitive with the surrounding market area and maintain a minimum occupancy rate of approximately 93 percent annually.

Given these conditions and the fact that the marina now offers new top-quality berths, in addition to new marina administrative office facilities with boater's meeting room, restrooms and showers, staff is proposing that a fee increase be established.

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	\$5.30	\$5.67
Open berths	\$3.45	\$3.69
 <u>North Basin</u>	 <u>Existing</u>	 <u>Proposed</u>
Covered berths	\$5.85	\$6.26
Open berths	\$4.70	\$5.03

These fee increases have been presented to and reviewed with the Sacramento Marina Advisory Council.

#### FINANCIAL DATA

Total projected revenue to the Sacramento Marina for FY 1990-91 is \$1,392,000 and has been included in the proposed FY 1990-91 City budget. This revenue and

a beginning FY 1990-91 fund balance of \$271,000 will offset projected total operating and CIP costs of \$1,417,000, thus reducing FY 1990-91 fund balance by \$25,000 to \$246,000.

POLICY CONSIDERATIONS

This fee increase is consistent with City policy to recover operating costs for enterprise facilities. The proposed fee increases have been noticed as required by Government Code Section 54992.

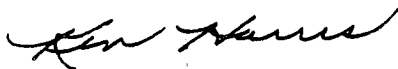
MBE/WBE

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 marina berth license fees to be effective July 1, 1990.

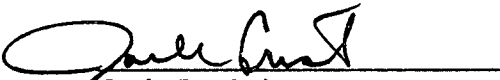
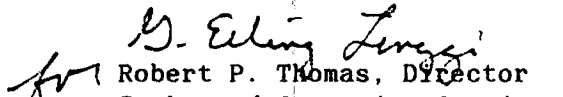
Respectfully submitted,



Ken Harris, Manager  
Parks and Recreation City Wide

Recommendation Approved:

Approved:

  
Jack R. Crist  
Deputy City Manager  
for Robert P. Thomas, Director  
Parks and Community Services

June 5, 1990  
District 1

RPT/KH:ja

Contact Person: Ken Harris, Manager, Parks and Recreation City Wide, 449-5384

khrcsm1

# 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 July 1, 1990 as follows:

South Basin

Covered Berths	\$5.67 per foot
Open berths	\$3.69 per foot

North Basin

Covered Berths	\$6.26 per foot
Open berths	\$5.03 per foot

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 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 increased fees are for the purpose of meeting the ongoing Capital Improvement Program; and c) the increased fees are for the purpose of obtaining funds for the debt service obligations.

ATTEST:

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

\_\_\_\_\_  
MAYOR

FOR CITY CLERK USE ONLY

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

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

CITY OF SACRAMENTO  
Department of Parks and Community Services

MARINA RATE COMPARISON  
April 1990

COVERED BERTHS

<u>Marina</u>	<u>Location</u>	<u>Notes</u>	<u>Rate Per Foot</u>
River Bank	Sacramento		7.65
Delta Bay Club	Isleton		6.61
Sacramento Marina	Sacramento (North Basin Proposed Rate)		6.26
River View	Sacramento		6.17
Oxbow	Isleton		6.07
Spindrift	Isleton		5.93
Sacramento Marina	Sacramento (North Basin Present Rate)		5.85
Cliff's	Freeport		5.77
Sacramento Marina	Sacramento (South Basin Proposed Rate)		5.67
Outrigger	Rio Vista		5.57
Freeport	Freeport		5.50
Sacramento Marina	Sacramento (South Basin Present Rate)		5.30
Delta	Rio Vista		5.25
B & W	Isleton		5.00
Alamar	Sacramento		4.16
Metro	Sacramento		4.00
Perry's	Isleton		4.00

UNCOVERED BERTHS

<u>Marina</u>	<u>Location</u>	<u>Notes</u>	<u>Rate Per Foot</u>
Delta Bay Club	Isleton		6.73
River Bank	Sacramento		5.98
River View	Sacramento		5.50
Sacramento Marina	Sacramento (North Basin Proposed Rate)		5.03
Four Seasons	West Sacramento		5.00
Freeport	Freeport		5.00
Cliff's	Freeport		4.75
Sherwood Harbor	West Sacramento		4.75
Sacramento Marina	Sacramento (North Basin Present Rate)		4.70
Alamar Landing	West Sacramento		4.50
Metro	West Sacramento		4.50
Spindrift	Isleton		4.50
B & W	Isleton		4.25
Delta	Rio Vista		4.05
Sacramento Marina	Sacramento (South Basin Proposed Rate)		3.69
Sacramento Marina	Sacramento (South Basin Present Rate)		3.45
Andreas Cove	Isleton		3.06

EXHIBIT B

SACRAMENTO MARINA (\$ 000)	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95
<b>Marina Slip Fee</b>						
South Basin Open Berth	3.45	3.69	3.99	4.29	4.61	4.88
South Basin Covered Berth	5.30	5.67	6.12	6.58	7.08	7.50
North Basin Open Berth	4.70	5.03	5.43	5.84	6.28	6.65
North Basin Covered	5.85	6.26	6.76	7.27	7.81	8.28
Average	5.29	5.66	6.12	6.57	7.07	7.49
Percent Rate Increase	.00%	7.00%	8.00%	7.50%	7.50%	6.00%
<b>Beginning Available Balance</b>	<b>289</b>	<b>271</b>	<b>246</b>	<b>216</b>	<b>222</b>	<b>252</b>
<b>Revenues</b>						
Interest	133	135	135	136	136	50
User Fees						
Existing	929	994	1,074	1,154	1,241	1,315
New	0	0	0	0	0	0
Oil & Gas	229	240	252	265	278	292
Other	22	23	24	25	26	27
<b>Total Current Resources</b>	<b>1,313</b>	<b>1,392</b>	<b>1,485</b>	<b>1,580</b>	<b>1,681</b>	<b>1,684</b>
<b>Current Requirements</b>						
<b>Operating Expenditures:</b>						
Employee Services	221	241	253	266	279	293
Other Services & Supplies	594	566	590	615	641	669
Equipment	4	0	4	4	4	5
Transfers Out	33	33	35	36	38	40
<b>Subtotal Cur. Operations</b>	<b>852</b>	<b>840</b>	<b>882</b>	<b>921</b>	<b>963</b>	<b>1,006</b>
Debt Service - Principal	35	95	133	159	168	176
Debt Service - Interest	259	357	375	368	360	352
Debt Service - Water Quality					35	35
Debt Service - Reserve	50	25	25	25	25	25
<b>Subtotal Debt Service</b>	<b>344</b>	<b>477</b>	<b>533</b>	<b>552</b>	<b>588</b>	<b>588</b>
<b>Capital Improvements:</b>						
Dredging	25	25	25	25	25	25
Dock Replacement	110	75	75	75	75	75
Marina System	0	500	0	0	0	0
Marina System - Debt Offset	0	( 500)	0	0	0	0
<b>Subtotal CIP</b>	<b>135</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Total Current Requirements</b>	<b>1,331</b>	<b>1,417</b>	<b>1,515</b>	<b>1,573</b>	<b>1,651</b>	<b>1,694</b>
<b>Total Current Surplus</b>	<b>( 18)</b>	<b>( 25)</b>	<b>( 30)</b>	<b>7</b>	<b>30</b>	<b>( 10)</b>
<b>Other Fund Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ending Available Balance</b>	<b>\$271</b>	<b>\$246</b>	<b>\$216</b>	<b>\$222</b>	<b>\$252</b>	<b>\$242</b>