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**DEPARTMENT OF PARKS
AND COMMUNITY SERVICES**

ROBERT P. THOMAS
DIRECTOR

G. ERLING LINGGI
ASSISTANT DIRECTOR

WALTER S. UEDA
DEPUTY DIRECTOR

June 5, 1991

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: SACRAMENTO MARINA PROPOSED FEE INCREASE

SUMMARY

This report provides information on the Sacramento Marina enterprise operation. The report also recommends an average berth license fee increase of nine percent, and various other miscellaneous fees related to the operations of the Sacramento Marina. It is requested that fees become effective August 1, 1991.

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 \$7,650,000 in loans to undertake the marina expansion. The \$7,650,000 fund application was approved for the project and the City received the funding.

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 berthing charges which prevail in the same market area and establish berthing rates which are reasonable and not exorbitant (see Exhibit A).

**CITY OF SACRAMENTO
CALIFORNIA**

**APPROVED
BY THE CITY COUNCIL**

JUN 12 1991

**OFFICE OF THE
CITY CLERK**

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HISTORY AND SCIENCE
METROPOLITAN ARTS
SACRAMENTO ZOO
PARKS AND RECREATION
• NORTH
• SOUTH
• CITY-WIDE

These conditions and a debt service payment of \$539,000 will require that the Sacramento Marina be competitive with the surrounding market area and maintain a minimum occupancy rate of approximately 90 percent annually. Given these conditions and the fact that the marina offers new top-quality facilities, 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 and Exhibit C compares miscellaneous fees as they relate to local marinas.

PROPOSED BERTH RENTAL FEES, PER FOOT, PER MONTH

<u>South Basin</u>	<u>Existing</u>	<u>Proposed</u>
Covered berths	\$5.67	\$6.20
Open berths	\$3.69	\$4.00
<u>North Basin</u>	<u>Existing</u>	<u>Proposed</u>
Covered berths	\$6.26	\$6.80
Open berths	\$5.03	\$5.50

PROPOSED MISCELLANEOUS FEES PER MONTH

	<u>Existing</u>	<u>Proposed</u>
Delinquent charge	3/4's of 1%	\$10.00 or 10%
Marina/electricity	\$3.00	\$ 6.00
Towing	\$5.00	\$25.00

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

FINANCIAL DATA

Total projected revenue to the Sacramento Marina for FY 91-92 is \$1,439,000 and has been included in the proposed FY 91-92 City budget. This revenue and a beginning FY 1990-91 fund balance of \$150,000 will offset projected total operating and CIP costs of \$1,492,000, thus reducing FY 91-92 fund balance by \$77,000 to \$63,000.

Staff anticipates that the increase proposed for delinquent accounts, electricity, and towing will result in approximately \$16,000 in additional revenue.

RECOMMENDATION

It is recommended that the City Council approve this report as part of the FY '91 - '92 budget process. Further, this report recommends that City Council approve, by resolution, an increase in marina berth license and miscellaneous fees to be effective August 1, 1991.

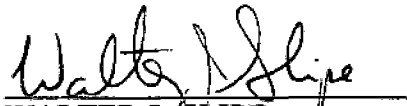
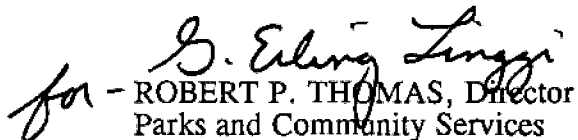
Respectfully submitted.



KEN HARRIS, Manager
Parks and Recreation City-wide

Recommendation Approved:

Approved:


WALTER J. SLIPE
City Manager
for - ROBERT P. THOMAS, Director
Parks and Community Services

KH/RPT:pmg

Attachments

Contact Person:
Ken Harris, 449-5384

June 5, 1991
All Districts

k/council c/thomas rtrsmpfi

RESOLUTION NO. 91-430 APPROVED
BY THE CITY COUNCIL

ADOPTED BY THE SACRAMENTO CITY COUNCIL JUN 12 1991

ON DATE OF _____

OFFICE OF THE
CITY CLERK

**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 and miscellaneous fees for the Sacramento Marina shall be effective August 1, 1991 as follows:

South Basin

Covered berths \$6.20 per foot
Open berths \$4.00 per foot

North Basin

Covered berths \$6.80 per foot
Open berths \$5.50 per foot

PROPOSED MISCELLANEOUS FEES PER MONTH

Delinquent Charge \$10.00 or 10%
(whichever is largest)
Marina/electricity \$ 6.00
Towing \$25.00

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.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____ 4

DATE ADOPTED: _____

CITY OF SACRAMENTO
Department of Parks and Community Services

EXHIBIT A

MARINA RATE COMPARISON
April 1991

COVERED BERTHS

<u>Marina</u>	<u>Location</u>	<u>Rate Per Foot</u>
River Bank	Sacramento	\$9.13
River View	Sacramento	8.00
Sacramento Marina	Sacto. (North Basin) Proposed	6.80
Cliff's	Freeport	6.33
Oxbow	Isleton	6.31
Sacramento Marina	Sacto. (North Basin) Present	6.26
Sacramento Marina	Sacto. (South Basin) Proposed	6.20
Delta Bay Club	Isleton	6.19
Freeport	Freeport	6.00
Perry's	Isleton	6.00
Spindrift	Isleton	5.94
Sacramento Marina	Sacto. (South Basin) Present	5.67
Delta Marina	Rio Vista	5.50
Metro	Sacramento	5.50
Outrigger	Rio Vista	5.16
B & W	Isleton	5.00
Alamar Landing	Sacramento	5.00

UNCOVERED BERTHS

<u>Marina</u>	<u>Location</u>	<u>Rate Per Foot</u>
River Bank	Sacramento	\$6.63
River View	Sacramento	6.00
Delta Bay Club	Isleton	5.60
Freeport	Freeport	5.50
Sacramento Marina	Sacto. (North Basin) Proposed	5.50
Cliff's	Freeport	5.25
Sherwood Harbor	West Sacramento	5.25
Sacramento Marina	Sacto. (North Basin) Present	5.03
Four Seasons	West Sacramento	5.00
Alamar Landing	Sacramento	5.00
Metro	Sacramento	5.00
Spindrift	Isleton	4.77
B & W	Isleton	4.50
Delta Marina	Rio Vista	4.23
Sacramento Marina	Sacto. (South Basin) Proposed	4.00
Sacramento Marina	Sacto. (South Basin) Present	3.69
Andreas Cove	Isleton	3.11

DOC: MAR-RATE

EXHIBIT B**MARINA FUND**

	<u>1991-92</u>	<u>1992-93</u>
Beginning Fund Balance	140	63
Revenues	1,439	1,547
Current Operations		
Employee Services	259	272
Other Services and Supplies	616	585
Equipment	4	
Debt Service	539	562
Operating Transfers Out	<u>34</u>	<u>35</u>
Subtotal Current Operations	1,452	1,454
Capital Improvements	40	70
Reserves for Debt	<u>25</u>	<u>25</u>
Total Current Requirements	<u>1,517</u>	<u>1,549</u>
Total Current Surplus(Deficit)	<u>(77)</u>	<u>(3)</u>
Ending Fund Balance (Deficit)	63	60

EXHIBIT C

CITY OF SACRAMENTO
Department of Parks and Community Services

Marina Miscellaneous Fee Comparison
April 1991

<u>MARINA</u>	<u>DELINQUENT FEE</u>	<u>ELECTRICITY</u>	<u>TOWING</u>
Alamar	\$10.00	-0-	Not Available
Cliff's	\$10.00	-0-	Not Available
Freeport	\$10.00	\$10.00	\$50.00
River Bank	\$10.00	\$5-15 (size of boat)	Not Available
River View	\$10.00	\$15.00	Not Available
Sherwood	\$25.00	\$18.00	\$50.00
Sacramento	3/4 of 1%	\$ 3.00	\$ 5.00

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