

CITY OF SACRAMENTO



DEPARTMENT OF COMMUNITY SERVICES  
3520 FIFTH AVENUE SACRAMENTO, CALIFORNIA 95817  
TELEPHONE (916) 449-5200

ROBERT P. THOMAS  
DIRECTOR

CITY MANAGER'S OFFICE  
**RECEIVED**  
NOV 9 1982

CROCKER ART MUSEUM DIVISION  
GOLF DIVISION  
METROPOLITAN ARTS DIVISION  
MUSEUM AND HISTORY DIVISION  
RECREATION DIVISION  
PARKS DIVISION  
ZOO DIVISION

November 8, 1982

**APPROVED**  
BY THE CITY COUNCIL

NOV 10 1982

AC 82044

OFFICE OF THE  
CITY CLERK

City Council  
Sacramento, California

Honorable Members in Session:

SUBJECT: Operation of William G. Stone Lock by the City of Sacramento

SUMMARY

This joint report from the Department of Community Services and the Sacramento Housing and Redevelopment Agency recommends that the City of Sacramento enter into a one year lease agreement with the U.S. Army Corps of Engineers, Sacramento Division, for the operation of William G. Stone Lock in West Sacramento.

BACKGROUND INFORMATION

In 1963, the William G. Stone Lock was completed as part of the Sacramento Deep Water Ship Channel Project by the Corps of Engineers. It connects the Sacramento River with the Channel and is the only lock in the State. Steadily declining use of the Lock by commercial vessels, for which construction was justified, has led to a decision to close the facility on November 1, 1982. It will remain closed unless arrangements are made for a local entity to lease the Lock from the Corps of Engineers and operate it.

During the last five years, an average of 7,500 vessels a year have been locked through the facility. Ninety-seven percent of this traffic has been recreational boaters and involved approximately 19,800 passengers per year. There has also been an expressed interest by several commercial riverboat tour operators for use of the Lock in relation to the proposed waterfront development in Old Sacramento scheduled for development in 1983-84.

The tour boats are of special concern since the waterfront plan for Old Sacramento is designed to accommodate and encourage tour boats. Therefore, keeping the Lock open will save the tour boat operators money and time, provide for a unique tourist experience, but most importantly, will reinforce Old Sacramento as a desirable tourist destination for existing and future tour boat operators. The waterfront project will necessitate a substantial public investment with the expectation of attracting private capital, and having the Lock open will be an important added ingredient for the eventual development of the waterfront.

City Council  
November 8, 1982  
Page Two

Unfortunately, staff has not been successful in getting the Red and White or EHC Company out of Seattle to arrive at a positive decision to use the Lock. Red and White has said because of a suffering economy, they are re-evaluating the Sacramento tour program and could not make any firm commitments. EHC has been more positive and has preliminarily indicated they would schedule trips to Sacramento about 28 times in 1983. Although staff does not have any firm commitments from the tour boat operators at this time, negotiations are still in progress.

It is staff's opinion that it is in the best interest of the City of Sacramento to keep the Lock open to accommodate tour boats as well as pleasure boaters.

The Redevelopment Agency approved by Res. RA-82-022, April 13, 1982, a report directing staff to negotiate a lease with the Corps of Engineers for the operation of the Lock and report back with a financing plan. This proposed lease agreement will enable the Lock to remain open on a limited basis while the Department develops alternative methods of making the operation self-sufficient. The Lock will be operated on a limited schedule five days per week with an opening in the morning at 9:00 a.m. and one at 3:00 or 7:00 p.m. The Department will also provide special openings for commercial tour boats on a reimbursement basis.

Significant elements of the lease agreement are:

1. William G. Stone Lock consists of 63.841 acres of land and improvements thereon as shown on Exhibit A.
2. Term of the agreement shall be for one year.
3. Lessee shall pay lessor \$5,000 for the term of the agreement.
4. Lease may be terminated by either party with 30 days notice.
5. Lessee shall operate the Lock at its expense in accordance with scheduled hours of operation.
6. Lessee provides insurance as required.
7. Lessee at its expense shall operate and maintain the Lock according to specified standards. Lessee shall be only responsible for minor repair items which do not exceed \$1,500 for each item and do not exceed \$5,000 per year.
8. Lessor (United States) shall furnish utilities, security services, grounds maintenance, technical support as necessary, and major repairs (over \$1,500 or \$5,000 as stated in number seven above).

Copies of this agreement are on file in the City Clerk's office.

City Council  
November 8, 1982  
Page Three

FINANCIAL DATA

A total of \$34,726 will be needed to fund the operation of the Lock ascertained in Exhibit B (William G. Stone Lock Budget). Initial funding will be provided by the Sacramento Housing and Redevelopment Agency. Payment in Lieu of Tax Funds are to be transferred to the Department of Community Services, Sacramento Boat Harbor Fund, on a quarterly basis. The Agency will also contract with licensed commercial vessels and provide funds from them to the City for any non-scheduled lockage. Any agreement by the Agency with a licensed commercial vessel must be made at least 72 hours prior to lockage and meet with the concurrence of the Department of Community Services. During the year, all funds collected by both agencies will be accounted for and deposited with the Department of Community Services. The Department shall use the proceeds plus any payment in Lieu of Tax Funds as needed to fund the operation of the Lock as well as any subsequent operation of the Lock. The Agency shall withdraw financial interest in the Lock when it becomes self-supporting.

Staff is currently investigating other funding sources to operate the Lock from licensed commercial vessels and pleasure boaters. In fact, the pleasure boaters and the Chamber of Commerce have established a committee and have sent out 10,000 questionnaires to boaters to assist in the planning for a system where they could pay their fair share of operating costs. (Summary, Exhibit C).

It is the Department of Community Services' objective to make the operation of the William G. Stone Lock self-supporting and the agencies will file a joint staff report to the City Council on a semi-annual basis.

RECOMMENDATION

It is recommended that the City Council, by resolution:

1. Authorize and direct the City Manager to enter into a one year lease agreement with the U.S. Army Corps of Engineers for the operation of the William G. Stone Lock.
2. Approve the appropriation increase of \$34,726 from Payment in Lieu of Tax Funds, Sacramento Housing and Redevelopment Agency, to be applied to the lease and operation of the William G. Stone Lock for a one-year period beginning on November 22, 1982.

Further, it is recommended that the Housing Authority and the Redevelopment Agency of the City of Sacramento approve, by resolutions, a \$34,726 appropriation from the Unappropriated City Pilot Fund Balance to the Redevelopment

City Council  
November 8, 1982  
Page Four

Division budget for the lease and operation by the City of the William G. Stone Lock for a one-year period.

Respectfully submitted,

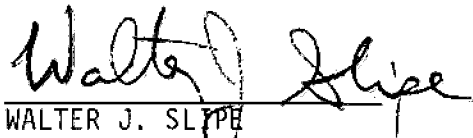


ROBERT P. THOMAS, Director  
Department of Community Services

William H. Edgar

WILLIAM H. EDGAR, Executive Director  
Sacramento Housing and Redevelopment  
Agency

Recommendation Approved:

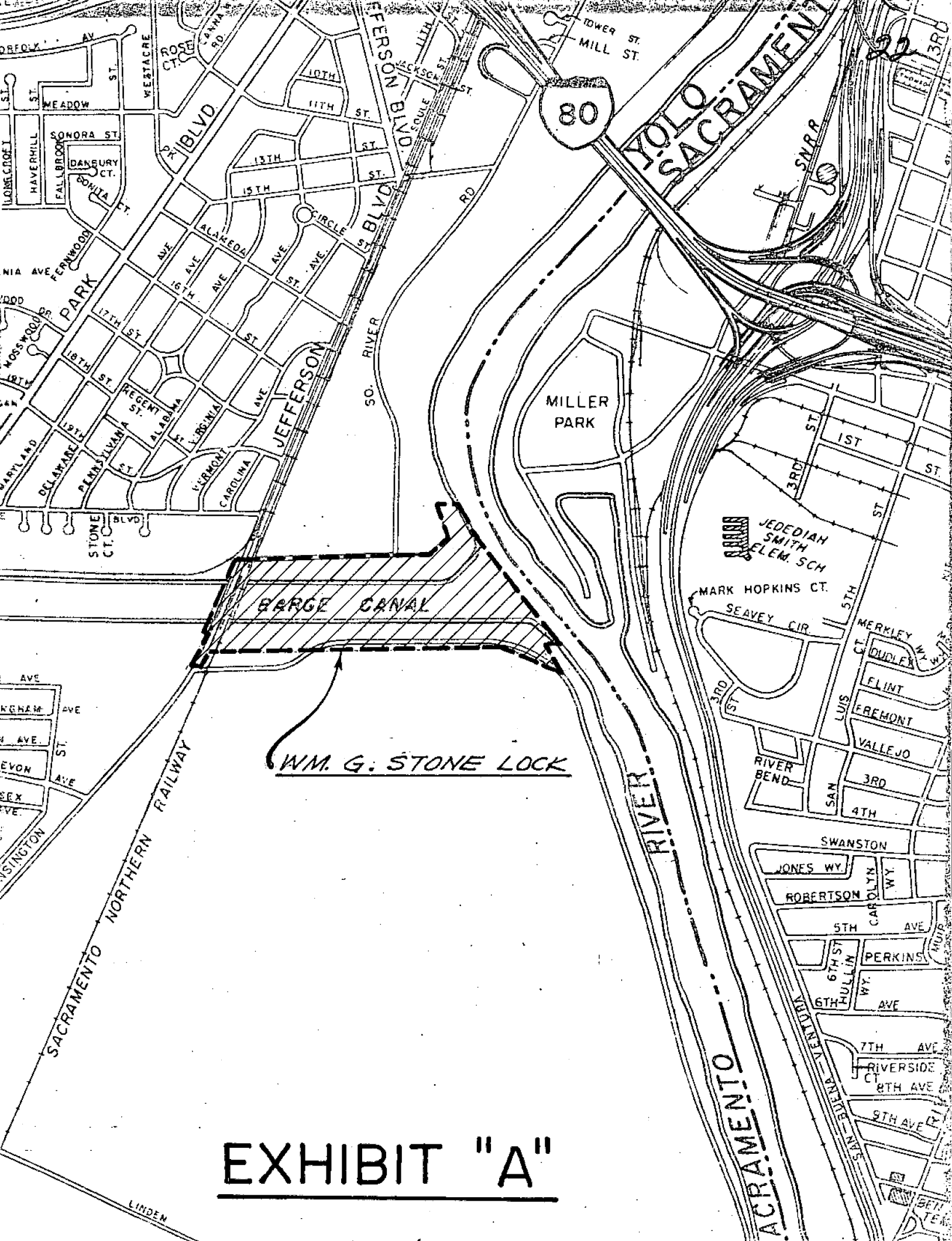


WALTER J. SLYPE  
City Manager

RPT:WHE:js

Attachments: Exhibits A-C

November 16, 1982  
All Districts



**EXHIBIT "A"**

CITY OF SACRAMENTO  
 DEPARTMENT OF COMMUNITY SERVICES  
 RECREATION DIVISION

WILLIAM G. STONE LOCK BUDGET  
 (11-22-82 THRU 11-21-83)

PERSONNEL

Marina Attendant (career)	\$ 6,035
Marina Attendant (LT)	3,853
Benefits	<u>1,925</u>
Total:	\$ 11,813

SERVICES

Maintenance and repair to property and equipment	\$ 5,000
--	----------

SUPPLIES AND EQUIPMENT

Replacement parts, office supplies, grease, oil, paint, miscellaneous	\$ 7,125
Total:	\$ 12,125

MISCELLANEOUS

Property lease	\$ 5,000
Administrative overhead (20%)	<u>5,788</u>
Total:	\$ 10,788

Grand Total: \$ 34,726

# # # # #

# # # # #

LOCK SCHEDULE

OCTOBER - APRIL

Sunday	9:00 a.m. & 3:00 p.m.
Monday	9:00 a.m. & 3:00 p.m.
Tuesday	Closed
Wednesday	Closed
Thursday	9:00 a.m. & 3:00 p.m.
Friday	9:00 a.m. & 3:00 p.m.
Saturday	9:00 a.m. & 3:00 p.m.

MAY - SEPTEMBER

Sunday	9:00 a.m. & 7:00 p.m.
*Monday	9:00 a.m. & 3:00 p.m.
Tuesday	Closed
Wednesday	Closed
Thursday	9:00 a.m. & 3:00 p.m.
Friday	9:00 a.m. & 7:00 p.m.
Saturday	9:00 a.m. & 7:00 p.m.

\* Open 9:00 a.m. and 7:00 p.m. when Monday is a legal holiday for Memorial Day, Independence Day and Labor Day.

PLEASURE BOAT OPERATORS SURVEYInitial Results from Boating Questionnaire

During the summer of 1982 a questionnaire was prepared by the Stone Lock Task Force to survey boater usage in the Lock and assist in the planning for a system of fees to keep the Lock open on a scheduled basis. Ten Thousand (10,000) questionnaires were sent out to marinas, boat clubs, bait shops, etc., in Counties within the Delta water system. The project was jointly sponsored by the Sacramento Metropolitan Chamber of Commerce, B.O.A.T. (Boat Owners Associated Together) and Sacramento Housing and Redevelopment Agency.

The initial return of 120 questionnaires (representing a 1% sample) is tabulated below:

<u>Question</u>	<u>Response</u>	
1. I am willing to pay my share in operating the Lock for recreational boats	All persons responding indicated they would be willing to pay	
2. Prefer a user fee to be collected each trip, 3 months pass or annual pass	Each trip 3 month pass Annual pass	65% 7% 28%
3. For passage I would be willing to pay	\$1 to \$3 \$4 to \$8 \$10 to \$20	60% 29% 11%
4. Boat size	Under 20 feet 21 to 30 Over 30 feet	26% 46% 28%
Boat type	Inboard/outboard Inboard Outboard Sail	30% 43% 17% 10%
5. Purpose of Lock passage	Fishing Cruising Others	34% 51% 15%
6. Expected frequency of Lock passage	Weekly 1 to 2 times/month 3 or more times/month	9% 79% 12%
7. Location of boat	Sacramento County Yolo County Solano County Contra Costa County Alameda County San Francisco County Marin County Other	69% 9% 6% 5% 2% 2% 5% 2%

Outlook for Continuing Lock Operations Based on User Fees for Pleasure Boaters

In 1980 the Corps of Engineers counted 8,235 pleasure boats using the Locks. During the ten-year period from 1970 to 1980 the number of boats using the Locks increased on the average of 6% compounded per year. The last two years prior to 1980 the increases were 19% and 10%. Using 8% increase per year and extrapolating the 1980 figure, the 1983 estimate for pleasure boaters is 10,373- 10% (assumed decrease due to user cost and limited schedule) = 9,336.

The survey result showed a major break between persons willing to pay \$1 to \$3 or \$4 to \$8. Using the base figure of 9,336 the 1983 estimates are as follows:

- a. (Assume a \$3 charge/trip/boat)

$$9,336 \times \$3 = \$28,009$$

- b. (Assume a \$7 charge/trip/boat)

$$9,336 \times 40\% \times \$7 = \$26,141$$

The above computation would indicate the desirability of keeping the figure at the lowest bracket of between \$1 to \$3 and generating a higher revenue rather than establishing a price in the \$4 to \$8 bracket and having 40% of the market drop out. It also indicates the user fee would have to be about \$3 instead of \$1 to come close to providing the revenues needed to operate the docks for pleasure boats.

Conclusions

1. Agency staff believes the survey results related to boat size may be biased due to the way in which survey was conducted, i.e., major portions of the outreach through organized boat clubs and marinas which tend to have larger boats. The water skiers and fishermen tend to be independent and do not belong to organized clubs and therefore are probably under-represented in the survey. Direct user surveys conducted in the future would refine the results of this initial questionnaire.
2. The projected 1983 revenues from pleasure boaters will cover the major portion of the 1984 costs, i.e., \$34,726 (1983) + 7% salary increase - \$35,552 less \$29,009 (estimated fees collected in 1983 from pleasure boaters) = \$7,543 deficit to be paid from P.I.L.O.T. funds. Fees collected from commercial tour operators are expected to cover their costs and help reduce this deficit.



# RESOLUTION NO. 82-794

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

RESOLUTION APPROVING LEASE AGREEMENT BETWEEN THE CITY OF SACRAMENTO AND THE U.S. ARMY CORPS OF ENGINEERS, SACRAMENTO DIVISION, FOR THE OPERATION OF WILLIAM G. STONE LOCK

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

That the City Manager is hereby authorized and directed to execute a lease agreement between the CITY OF SACRAMENTO and the U.S. ARMY CORPS OF ENGINEERS, SACRAMENTO DIVISION, providing for the operation of William G. Stone Lock.

\_\_\_\_\_  
MAYOR

ATTEST:

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

**APPROVED**  
BY THE CITY COUNCIL

NOV 16 1982

OFFICE OF THE  
CITY CLERK

**RESOLUTION NO. 82-795**

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

RESOLUTION AMENDING THE CITY BUDGET FOR FY 1982-83  
FOR THE DEPARTMENT OF COMMUNITY SERVICES  
(SACRAMENTO BOAT HARBOR - WILLIAM G. STONE LOCK)

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

- 1. That the lease and operation of the William G. Stone Lock by the City of Sacramento requires an appropriation increase of \$34,726 for the budget of the Department of Community Services.
- 2. The City budget for FY 1982-83 is hereby amended:
  - a. By adding thereto the sum of \$34,726 to budget 4-17-2260-8469-0000 relating to the expenditure of funds for the Stone Lock operation.
  - b. The above appropriation increase is supported by additional revenues of \$34,726 that are forthcoming from the Sacramento Housing and Redevelopment Agency, which will be deposited in the operating fund.

\_\_\_\_\_  
MAYOR

ATTEST:

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

**APPROVED**  
BY THE CITY COUNCIL

NOV 16 1982

OFFICE OF THE  
CITY CLERK

# RESOLUTION NO. 82-053

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO  
ON DATE OF

A RESOLUTION AMENDING THE AGENCY BUDGET  
FOR 1982 FOR THE REDEVELOPMENT DIVISION  
BUDGET FOR THE W. G. STONE LOCK

BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY  
OF SACRAMENTO:

Section 1. The Agency Budget for 1982 is hereby  
amended by appropriating \$34,726 from the Unappropriated City  
Pilot Fund Balance to the Redevelopment Division Budget, Con-  
tract Services Budget (Organization Code 2400) for the lease  
and operation by the City of Sacramento Department of Community  
Services of the W. G. Stone Lock for a one-year period beginning  
November 22, 1982.

\_\_\_\_\_  
CHAIRMAN

ATTEST:

\_\_\_\_\_  
SECRETARY

**APPROVED**  
SACRAMENTO HOUSING AUTHORITY  
CITY OF SACRAMENTO

NOV 16 1982

**RESOLUTION NO. 82-087**

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO  
ON DATE OF

A RESOLUTION AMENDING THE AGENCY BUDGET  
FOR 1982 FOR THE REDEVELOPMENT DIVISION  
BUDGET FOR THE W. G. STONE LOCK

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE  
CITY OF SACRAMENTO:

Section 1. The Agency Budget for 1982 is hereby  
amended by appropriating \$34,726 from the Unappropriated City  
Pilot Fund Balance to the Redevelopment Division Budget, Con-  
tract Services Budget (Organization Code 2400) for the lease  
and operation by the City of Sacramento Department of Commu-  
nity Services of the W. G. Stone Lock for a one-year period  
beginning November 22, 1982.

\_\_\_\_\_  
CHAIRMAN

ATTEST:

\_\_\_\_\_  
SECRETARY  
**APPROVED**  
SACRAMENTO REDEVELOPMENT AGENCY  
CITY OF SACRAMENTO

NOV 16 1982