

RESOLUTION NO. 2010-341

Adopted by the Sacramento City Council

June 15, 2010

SACRAMENTO MARINA BERTH FEE MODIFICATION

BACKGROUND

- A. The Sacramento Marina operates as an Enterprise Fund with revenue generated primarily from berth rentals and fuel sales.
- B. In April 2008, a revised berth fee schedule was adopted, by Resolution 2008-224, that was intended to generate additional revenue. The basis of this fee structure was based on a graduated linear foot charge based on increased length (and width) of the slip. This fee structure was designed to have an average increase of 12%, beginning FY 2008/09 through FY 2011/12, and a flat 6% increase thereafter. This fee structure was proposed to align fees with the market and cover operating, capital and debt obligations.
- C. After extensive analysis, it is determined that a 12% average increase is implemented for FY 2010/11 and FY 2011/12, the occupancy rate at the Marina will decline significantly, resulting in a drastic revenue shortfall. The proposed fee revision modifies the fee structure for FY 2010/11 and FY 2011/12 to a flat 8% increase, and continuing the approved flat 6% increase thereafter.
- D. Marina has a debt obligation of approximately \$560,000 to the State's Department of Boating and Waterways (DBAW), scheduled to begin in Fiscal Year 2010/11. If DBAW allows a deferment of this obligation, staff would like to revert the Fiscal Year 2010/11 berth fee rates to the Fiscal Year 2009/10 rates at the beginning of the following month, and beginning Fiscal Year 2011/12 implement a flat, 6%, annual increase.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Manager, or the City Manager's designee, is authorized to increase the Sacramento Marina berth slip rates for FY 2010/11 and FY 2011/12 by eight percent, as shown in Exhibit A.
- Section 2. Beginning FY 2012/13, the City Manager, or the City Manager's designee, is authorized to annually increase the Sacramento Marina berth slip rates by six percent, as shown in Exhibit A.
- Section 3. Should the State Department of Boating and Waterways allow the deferment of the City's scheduled debt payment for Fiscal Year 2010/11, the City Manager, or the City Manager's designee, is authorized to revert the Fiscal Year 2010/11 berth fee rates to the Fiscal Year 2009/10 rates at the beginning of the month following the deferment, and starting Fiscal Year 2011/12, is authorized to implement a flat 6% annual increase to the berth fee rates.

Section 4. Exhibit A is part of this Resolution.

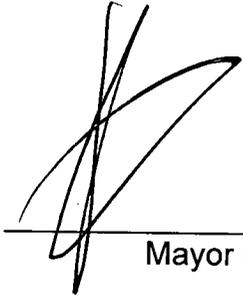
Adopted by the City of Sacramento City Council on June 15, 2010 by the following vote:

Ayes: Councilmembers Cohn, Fong, McCarty, Pannell, Sheedy, Tretheway, Waters,
and Mayor Johnson.

Noes: None.

Abstain: None.

Absent: Councilmember Hammond.



Mayor Kevin Johnson

Attest:



Shirley Concolino, City Clerk

SACRAMENTO MARINA BERTH FEE MODIFICATION SCHEDULE

	FY 2009/10 Current	Scheduled % Increase by Slip Size FY 2010/11 and FY 2011/12*	Proposed % Increase by Slip Size FY 2010/11 and FY 2011/12	FY 2010/11 Approved (12% average)	FY 2010/11 Proposed (8% across)	FY 2011/12 Approved (12% average)	FY 2011/12 Proposed (8% across)	FY 2012/13 Approved (6% across)	FY 2012/13 Proposed (6% across)	FY 2013/14 Approved (6% across)	FY 2013/14 Proposed (6% across)	FY 2014/15 Approved (6% across)	FY 2014/15 Proposed (6% across)
25' uncovered													
Linear Rate	\$ 9.68	7.50%	8.00%	\$ 10.41	\$ 10.45	\$ 11.19	\$ 11.29	\$ 11.86	\$ 11.97	\$ 12.57	\$ 12.69	\$ 13.32	\$ 13.45
Monthly Rate	\$ 241.81			\$ 260.15	\$ 261.36	\$ 279.66	\$ 282.27	\$ 296.44	\$ 299.20	\$ 314.23	\$ 317.16	\$ 333.08	\$ 336.19
25' covered													
Linear Rate	\$ 11.11	5.00%	8.00%	\$ 11.67	\$ 12.00	\$ 12.25	\$ 12.96	\$ 12.98	\$ 13.74	\$ 13.76	\$ 14.56	\$ 14.59	\$ 15.43
Monthly Rate	\$ 277.55			\$ 291.64	\$ 299.97	\$ 306.22	\$ 323.97	\$ 324.59	\$ 343.41	\$ 344.07	\$ 364.01	\$ 364.71	\$ 385.85
28' covered													
Linear Rate	\$ 11.46	6.50%	8.00%	\$ 12.20	\$ 12.38	\$ 13.00	\$ 13.37	\$ 13.78	\$ 14.47	\$ 14.60	\$ 15.02	\$ 15.48	\$ 15.92
Monthly Rate	\$ 320.76			\$ 341.74	\$ 346.55	\$ 363.95	\$ 374.27	\$ 385.79	\$ 396.73	\$ 408.93	\$ 420.53	\$ 433.47	\$ 445.77
30' covered													
Linear Rate	\$ 12.63	12.00%	8.00%	\$ 14.15	\$ 13.64	\$ 15.84	\$ 14.73	\$ 16.79	\$ 15.62	\$ 17.80	\$ 16.55	\$ 18.87	\$ 17.55
Monthly Rate	\$ 378.83			\$ 424.37	\$ 409.21	\$ 475.29	\$ 441.95	\$ 503.81	\$ 468.47	\$ 534.04	\$ 496.57	\$ 566.08	\$ 526.37
35' covered													
Linear Rate	\$ 12.98	13.50%	8.00%	\$ 14.73	\$ 14.02	\$ 16.72	\$ 15.14	\$ 17.72	\$ 16.05	\$ 18.79	\$ 17.01	\$ 19.92	\$ 18.03
Monthly Rate	\$ 454.10			\$ 515.63	\$ 490.64	\$ 585.24	\$ 529.90	\$ 620.36	\$ 561.69	\$ 657.58	\$ 595.39	\$ 697.03	\$ 631.11
40' covered													
Linear Rate	\$ 13.44	15.50%	8.00%	\$ 15.52	\$ 14.52	\$ 17.93	\$ 15.68	\$ 19.01	\$ 16.62	\$ 20.15	\$ 17.61	\$ 21.35	\$ 18.67
Monthly Rate	\$ 537.28			\$ 620.93	\$ 580.61	\$ 717.17	\$ 627.06	\$ 760.20	\$ 664.68	\$ 805.81	\$ 704.56	\$ 854.16	\$ 746.83
45' covered													
Linear Rate	\$ 13.59	16.00%	8.00%	\$ 15.76	\$ 14.68	\$ 18.29	\$ 15.85	\$ 19.38	\$ 16.80	\$ 20.55	\$ 17.81	\$ 21.78	\$ 18.88
Monthly Rate	\$ 611.58			\$ 709.40	\$ 660.47	\$ 822.90	\$ 713.31	\$ 872.28	\$ 756.11	\$ 924.61	\$ 801.48	\$ 980.09	\$ 849.57
50' covered													
Linear Rate	\$ 14.26	19.00%	8.00%	\$ 16.97	\$ 15.40	\$ 20.19	\$ 16.63	\$ 21.41	\$ 17.63	\$ 22.69	\$ 18.69	\$ 24.05	\$ 19.81
Monthly Rate	\$ 713.01			\$ 848.47	\$ 770.04	\$ 1,009.68	\$ 831.64	\$ 1,070.26	\$ 881.54	\$ 1,134.78	\$ 934.43	\$ 1,202.54	\$ 990.50

* Scheduled rates reflect annual adjustments based on approved City Council action in April 2008.