



Office of the City Manager

PUBLIC HEARING
May 26, 2015

To: Honorable Mayor and Members of the City Council

From:  Christine Daniel, City Manager

Submitted by: Scott Ferris, Director, Parks Recreation & Waterfront

Subject: Marina Fee Increases

RECOMMENDATION

Conduct a public hearing and upon conclusion, adopt a Resolution:

1. Approving fees for goods and services at the Berkeley Marina that; a) establish a new rate schedule increasing Marina berth rent by 6%, and b) increase the following: Dry Storage rates by 18% for lengths $\leq 27'$ and by 32% for lengths $\geq 28'$; Launch Ramp monthly pass by \$60; Launch Ramp 6-month pass by \$180; Live-aboard fees by up to \$55 per month; Skiff Side Tie $< 24'$ length by \$20 per month; and establishing a new Floating Homes Sewer charge of \$25 per month; and
2. Rescinding Resolution No. 66,176-N.S.

FISCAL IMPACTS OF RECOMMENDATION

The Marina Fund is funded entirely from revenues collected from berth fees, special fees, and business leases and licenses at the Berkeley Marina. The Marina Fund finances all activities at the waterfront including dock operations and maintenance, educational programs, park landscaping (Cesar Chavez, Adventure Playground and Shorebird), and capital improvements.

Berth fees are the single largest source of revenue for the Marina, followed by licenses and leases. The following chart provides a comparison of the FY 2016 proposed revenue with and without the proposed fee increases. The projected annual deficit for FY 2016 is \$-576,473 without the fee increase, and the Marina Fund balance will go negative in FY2018. The new fees will generate \$172,928 in new revenue, which will reduce the deficit to \$403,545, and the Marina Fund balance will go negative a year later in FY 2019 (See Attachment 3). While additional steps will be needed to fully eliminate the deficit for future years, a modest fee increase at this time is merited. In addition to a 6% increase in berth fees, several Marina non-berth fees will be raised as follows: Dry Storage rates by 18% for lengths $\leq 27'$ and by 32% for lengths $\geq 28'$; Launch Ramp monthly pass by \$60; Launch Ramp 6-month pass by \$180; Live-aboard fees by up to \$55 per month; Skiff Side Tie $< 24'$ length by \$20 per month; and establishing a new Floating Homes Sewer charge of \$25 per month. A table showing the current fees that were established in FY 2014 and proposed FY 2016 increases to these fees can be found in Attachment 1.

FY2016	Without fee increase	With fee increase	Change
Total Revenues	5,311,066	5,483,994	172,928
Total Expenditures	5,887,539	5,887,539	-
Annual Deficit	-576,473	-403,545	

CURRENT SITUATION AND ITS EFFECTS

The Marina Fund receives revenues from berth fees, special fees, and leases and licenses, and does not receive any General Funds. These revenues finance all activities in the Marina, including capital improvements, and are supplemented periodically by various grants from state and federal agencies, and loans from the State Division of Boating and Waterways.

The Marina Fund has been relying on the use of reserves to cover increasing operations costs not covered by annual revenues, and due to the projected structural deficit of approximately \$576,473 in FY 2016, the Marina Fund balance will go negative in FY 2018. Balancing measures to reduce operating costs have been included in the proposed FY 2016 budget. Nevertheless, an increase in berth fees and special event parking fees are justified as follows:

- The most recent fee increase in berth rates at the Marina was in FY 2014 when Council adopted Resolution No. 66,176-N.S. (May 21, 2013). That fee schedule increased fees for goods and services at the Berkeley Marina that established a new rate schedule increasing Marina berth rent by 6%.
- The State of California Department of Boating and Waterways requires that berth fees stay within the average in the area and, at a minimum, increase at the region's Consumer Price Index (CPI). In January of 2015, City staff obtained the Annual Survey of Bay Area Marinas conducted by West Point Marina in Redwood City, CA, in cooperation with the Marina Recreation Association, the Bay Area Harbormaster Group and the California Association of Harbormaster's and Port Captains. Based on the results of the survey, staff concluded that with the proposed increase, Berkeley Marina's rates will be on par with the "average" of other Marinas offering similar service and amenities, especially those located near the Central Bay. (See Attachment 2 - Survey of Bay Area Marina Average Rates for 40' berths (January 2015).
- Staff anticipates that an increase in berth rates will not have a significant impact on occupancy rates because there are no new marinas opening in the area and there are limited alternative berthing options in the Central Bay Area.

ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental effects or opportunities associated with the subject of this report.

BACKGROUND

The most recent fee increase in berth rates at the Marina was in FY 2014 with Resolution No. 66,176-N.S. (May 21, 2013) At its meeting of April 8, 2015, the Parks and Waterfront Commission took action to recommend that the proposed Marina fee increase be approved by the City Council. Moved, seconded, carried (Catalfo/McKay) Ayes –Catalfo; Howard; McGrath; McKay; Weinstein; Naves – None; Recused – Kamen; Absent – Ares; Brostrom; Harrison.

CONTACT PERSON

Roger Miller, Acting Waterfront Manager, 510-981-6737

Attachments:

- 1: Marina Rate Schedule - Existing FY 2014 and Proposed FY2016
- 2: Survey of Bay Area Marina rates
3. Marina Fund (825) Revenues
- 4: Resolution
 Exhibit A: Marina Rate Schedule
- 5: Public Hearing Notice

Marina Rate Schedule – Existing and Proposed FY 2016

Berth Fees per size of boat (in feet)	FY 2014 Berths \$/ft	FY 2014 Power \$/ft	FY 2016 Berths \$/ft	FY2016 Power \$/ft	% Increase
20' – 21'	7.74	0	8.20	0	6%
22' – 24'	8.18	0.10	8.67	0.20	6%
25' – 29'	9.21	0.20	9.76	0.40	6%
30' – 39'	9.75	0.30	10.34	0.60	6%
40' – 49'	10.33	0.40	10.95	0.80	6%
50' – 59'	10.95	0.50	11.61	1.00	6%
60' – 69'	11.63	0.60	12.33	1.20	6%
70' – 79'	12.30	0.70	13.04	1.40	6%
80' – 89'	13.03	0.80	13.81	1.60	6%
Note: berth rates will be increased by 6%. Rate for electrical power is a surcharge for slips on City meter.					
	FY 2014 Monthly		FY 2016 Monthly		
Dry Storage 27' length or less	85.00		100.00		18%
Dry Storage 28' length or greater	95.00		125.00		32%
Floating Home Sewer Charge – monthly			25.00		New
Launch Ramp – Monthly	30.00		90.00		200%
Launch Ramp – Seasonal (6 month)	120.00		300.00		150%
Live-Aboard – monthly (boat)	145.00		200.00		38%
Live-Aboard – monthly (floating home)	165.00		200.00		21%
Skiff Side Tie <24' length (monthly)	80.00		100.00		25%

Other Fees (unchanged)

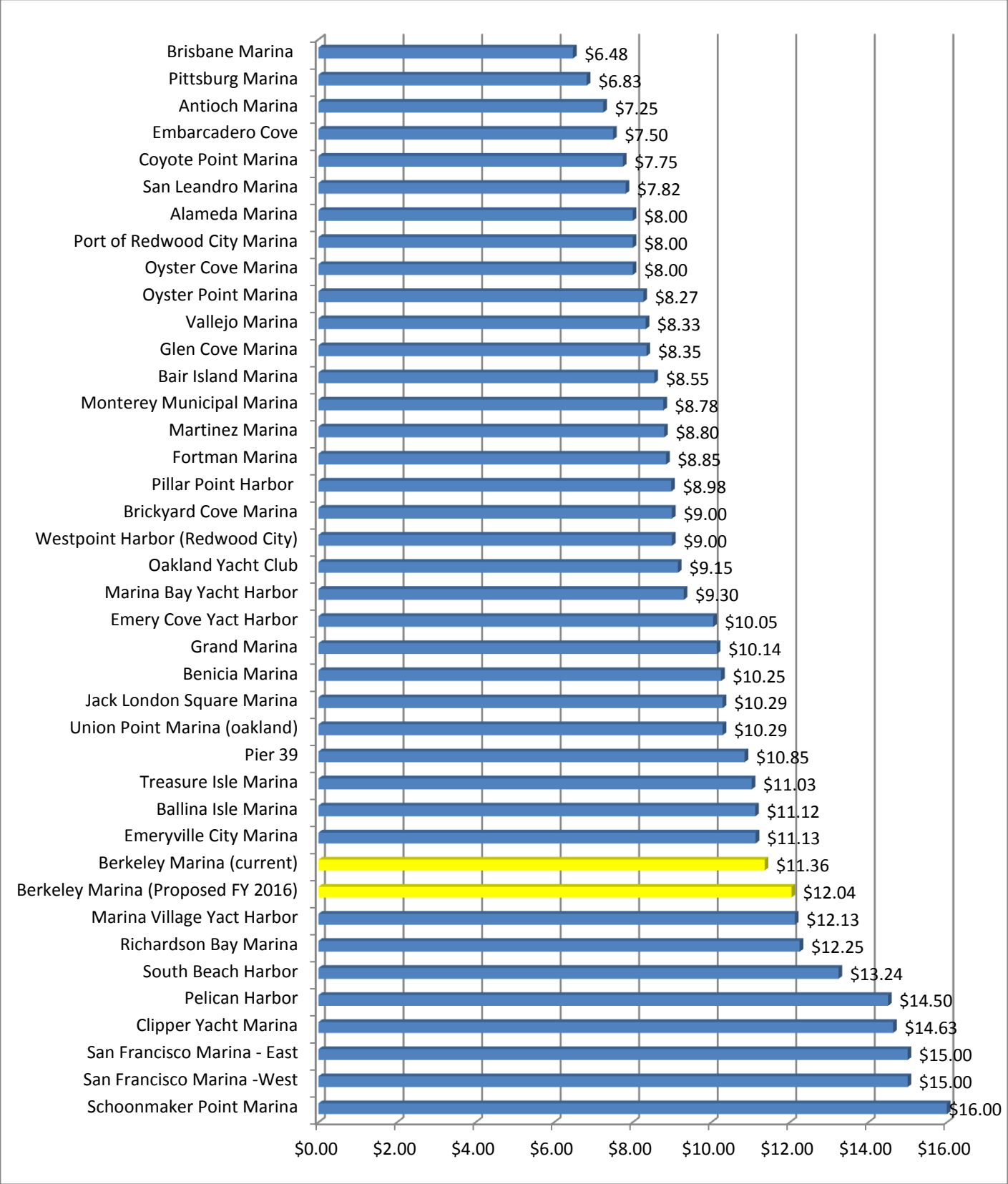
Chaining Fee (per occurrence)	\$100.00
Charter Boat Fee (public dock)	\$35.00 per event + \$1.00 per person
Food Booth Fee	\$500.00 / Event
Impound Fee – Daily	\$55.00
Key pass – Electronic (long-term) (each)	\$15.00
Key pass – Electronic (visitor) (each)	\$5.00
Labor Fees (per occurrence)	\$75.00
Launch Ramp – Daily	\$15.00
Lien Fees	\$100.00
Limited Access Berth	Vessel Length * Rate
Locker Fee (monthly)	\$25.00
Merchandise Booth Fee	\$100.00 / Event
Multiple Berth Discount > 20	-30% off Base Berth Rent
Multiple Berth Discount 11-20	-20% off Base Berth Rent
Multiple Berth Discount 5-10	-10% off Base Berth Rent
Premium - Catamaran / Trimaran Side-Tie	20% of Base Berth Rent
Premium – Single Berth	10% of Base Berth Rent
Premium - Upwind and Single Berth	20% of Base Berth Rent
Premium - Upwind Berth *	10% of Base Berth Rent
Slip Transfer Fee	\$25.00 per occurrence
Special Event Parking Fee	\$15.00 per car; \$1.00 per ft per non-car
Tide Book	\$1.00
Visitor Berth Fees (monthly)**	10% of Base Berth Rent
Visitor Berth Fees (daily) (per foot/per night)***	\$0.50

*Note: houseboats excepted

*11 days or more

**10 days or less

Survey of Bay Area Marina Avg Rates for 40' berths (January 2015)
 (With proposed Berkeley Marina Fee Increase for FY 2016)



**This survey was conducted by West Point Marina in Redwood City, CA in cooperation with the Marina Recreation Association, the Bay Area Harbormaster Group and California Association of Harbormaster's and Port Captains. Data was compiled through January 2015. The initial survey was emailed to 67 potential participants representing over 16,000 wet slips in the bay area. Responses were received from 49 marinas. These marinas represent over 15,300 wet slips in the bay area. For purposes of this survey, the Bay Area was defined as: East to Antioch; North to Napa; South to Redwood City and West to Half Moon Bay.

Marin Fund (825) Revenues / Without Proposed Fee increases*includes balancing measures, but no berther fee increase*

Marina Fund	FY 16 Propo sed	FY 17 Proposed	FY 18 Proposed	FY 19 Proposed	FY 20 Proposed
<i>(figures in millions)</i>					
Beginning Balance	1.48	0.91	0.29	-0.31	-1.13
Revenues	5.31	5.31	5.31	5.31	5.31
Expenditures	5.89	5.93	5.91	6.13	6.27
Operating Income / (Loss)	-0.58	-0.62	-0.59	-0.82	-0.96
Ending Balance	0.91	0.29	-0.31	-1.13	-2.09
Reserve	17%	5%	-6%	-21%	-39%

Marin Fund (825) Revenues / With Proposed Fee increases*includes balancing measures, and 6% berther fee increases*

Marina Fund	FY 16 Propos ed	FY 17 Proposed	FY 18 Proposed	FY 19 Proposed	FY 20 Proposed
<i>(figures in millions)</i>					
Beginning Balance	1.48	1.08	0.63	0.21	-0.44
Revenues	5.48	5.48	5.48	5.48	5.48
Expenditures	5.89	5.93	5.91	6.13	6.27
Operating Income / (Loss)	-0.40	-0.45	-0.42	-0.65	-0.79
Ending Balance	1.08	0.63	0.21	-0.44	-1.23
Reserve	20%	12%	4%	-8%	-22%

RESOLUTION NO.

–N.S.

ESTABLISHING FEES TO BE CHARGED FOR GOODS AND SERVICES PROVIDED
AT THE BERKELEY MARINA AND RESCINDING RESOLUTION NO. 66,176-N.S.

WHEREAS, the City's costs to operate facilities, provide services and undertake capital improvements at the Berkeley Marina have increased with inflation, rising staff costs, and an aging infrastructure; and

WHEREAS, at its meeting of April 8, 2015, the Parks and Waterfront Commission took action to recommend that the proposed Marina fee increase be approved by the City Council. Moved, seconded, carried (Catalfo/McKay) Ayes –Catalfo; Howard; McGrath; McKay; Weinstein; Naves – None; Recused – Kamen; Absent – Ares; Brostrom; Harrison.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the attached rate structure (Exhibit A) is hereby established for use by the general public for facilities at the Berkeley Marina, effective July 1, 2015.

BE IT FURTHER RESOLVED that Resolution No. 66,176-N.S. and all amendments are hereby rescinded effective July 1, 2015.

Exhibits:

A. Marina Rate Schedule

Marina Rate Schedule
(effective July 1, 2015)

Berth Fee per size of boat (in feet)	Berths \$/ft	Power \$/ft
20' – 21'	8.20	0
22' – 24'	8.67	0.20
25' – 29'	9.76	0.40
30' – 39'	10.34	0.60
40' – 49'	10.95	0.80
50' – 59'	11.61	1.00
60' – 69'	12.33	1.20
70' – 79'	13.04	1.40
80' – 89'	13.81	1.60

Other Fees

Chaining Fee (per occurrence)	\$100.00
Charter Boat Fee (public dock)	\$35.00 per event + \$1.00 per person
Dry Storage 27' length or less – monthly	\$100.00
Dry Storage 28' length or greater – monthly	\$125.00
Electronic key pass (long-term) (each)	\$15.00
Electronic key pass (visitor) (each)	\$5.00
Floating Home Sewer Charge – monthly	\$25.00
Food Booth Fee	\$500.00 / Event
Impound Fee – Daily	\$55.00
Labor Fees (per occurrence)	\$75.00
Launch Ramp – Monthly	\$90.00
Launch Ramp – Seasonal (6 month)	\$300.00
Launch Ramp – Daily	\$15.00
Lien Fee	\$100.00
Limited Access Berth	Vessel Length x Rate
Live-Aboard Fee – boat (monthly)	\$200.00
Live-Aboard Fee – floating home (monthly)	\$200.00
Locker Fee (monthly)	\$25.00
Merchandise Booth Fee	\$100.00 / Event
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Skiff Side Tie <24' length (monthly)	100.00
Slip Transfer Fee	\$25 per occurrence
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Visitor Berth Fees (daily) (per foot/per night)***	\$0.50

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NOTICE OF PUBLIC HEARING – BERKELEY CITY COUNCIL

FEES: BERKELEY MARINA

Notice is hereby given by the City Council of the City of Berkeley that a public hearing will be conducted by said city council of the City of Berkeley at which time and place all persons may attend and be heard upon the following: the Department of Parks Recreation and Waterfront is proposing to implement new fees at the Berkeley Marina. The Department proposes approval of fees for goods and services at the Berkeley Marina that; a) establish a new rate schedule increasing Marina berth rent by 6%, and b) increase the following: Dry Storage rates by 18% for lengths <=27' and by 32% for lengths >=28'; Launch Ramp monthly pass by \$60; Launch Ramp 6-month pass by \$180; Live-aboard fees by up to \$55 per month; Skiff Side Tie <24' length by \$20 per month; and establishing a new Floating Homes Sewer charge of \$25 per month.

Proposed Fee Increases

Berth Fee per size of boat (in feet)	FY 2014		FY 2016		% Increase
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Skiff Side Tie <24' length (monthly)	80.00		100.00		25%

The hearing will be held on, MAY 26, 2015 at 7:00 p.m. in the City Council Chambers, 2134 Martin Luther King, Jr. Way.

For further information, please contact Roger Miller, Acting Waterfront Manager, at 981-6737.

A copy of the agenda material for this hearing will be available on the City's website at www.CityofBerkeley.info as of **May 14, 2015**.

Written comments should be mailed or delivered directly to the City Clerk, 2180 Milvia Street, Berkeley, CA 94704, in order to ensure delivery to all Councilmembers and inclusion in the agenda packet.

Communications to the Berkeley City Council are public record and will become part of the City's electronic records, which are accessible through the City's website. **Please note: e-mail addresses, names, addresses, and other contact information are not required, but if included in any communication to the City Council, will become part of the public record.** If you do not want your e-mail address or any other contact information to be made public, you may deliver communications via U.S. Postal Service or in person to the City Clerk. If you do not want your contact information included in the public record, please do not include that information in your communication. Please contact the City Clerk at 981-6900 or clerk@cityofberkeley.info for further information.

If you challenge the above in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City of Berkeley at, or prior to, the public hearing. Background information concerning this proposal will be available at the City Clerk Department and posted on the City of Berkeley webpage at least 12 days prior to the public hearing.

Published: May 15 and May 22, 2015 – The Berkeley Voice
Per Government Code 6062A

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I hereby certify that the Notice for this Public Hearing of the Berkeley City Council was posted at the display case located near the walkway in front of Council Chambers, 2134 Martin Luther King Jr. Way, as well as on the City's website, on May 14, 2015.

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Mark Numainville, City Clerk

