



Office of the City Manager

ACTION CALENDAR  
May 19, 2009

To: Honorable Mayor and Members of the City Council  
From: *PK* Phil Kamlarz, City Manager  
Submitted by: William Rogers, Director, Parks Recreation & Waterfront  
Subject: Marina Fee Increases for FY 2010

RECOMMENDATION

Conduct a public hearing and upon conclusion, adopt a Resolution: establishing a new rate schedule that increases: (1) berth fees by up to 6.25%; (2) dry storage rates by up to 25%; (3) storage locker rental fees by 25%; and (4) Small Boat Launch Ramp Fees by 50%. (See Exhibit A - Marina Rate Schedule for FY 2010).

FISCAL IMPACTS OF RECOMMENDATION

The operation of the Berkeley Marina is 100% self-funded, primarily through revenues from berthing fees and leases, which are collected and spent out of the Marina Enterprise Fund. The Marina Fund finances all activities in the Marina, including Marina operations, educational programs such as the Shorebird Nature Center, majority of the Park maintenance (Cesar Chavez and Shorebird Parks), and capital improvements.

The following chart provides a comparison of the FY 2009 projected and FY 2010 proposed revenue and expenditures for the Marina Fund, and demonstrates that the proposed fee increases do not cover the total cost of operations.

|                       | Projected FY 2009 | Proposed FY 2010 | Increase from FY 2009 to FY 2010 |
|-----------------------|-------------------|------------------|----------------------------------|
| Total Revenues        | 5,016,796         | 5,239,264        | 222,468                          |
| Total Expenditures    | 5,230,257         | 5,539,715        | 309,458                          |
| <b>Annual Deficit</b> | <b>(213,461)</b>  | <b>(300,451)</b> |                                  |

The proposed fee increase will produce new net revenue of \$222,468 (after accounting for some other revenue reductions), which will reduce the anticipated FY 2010 deficit from \$522,919 down to \$300,451. The remaining deficit will be covered using funds from the current Marina Fund balance. Details on the increase in expenditures and revenues are as follows:

**Expenditures**

As per the table above, the Marina Fund expenditures are projected to increase by 6% or \$309,458 in FY 2010, and are due to the following:

- ❑ Wage increases of 5% in FY 2009, with an additional 2% planned for FY 2010 were approved as part of the negotiated labor contracts and account for \$179,249 in increased costs;
- ❑ Utility costs are anticipated to increase by \$33,000;
- ❑ Cost of supplies are anticipated to increase by \$26,103;
- ❑ The current debt service will increase by \$485,330 because the City will begin to pay back the full principal and interest on the \$9 million loan from the Department of Boating and Waterways for rebuilding docks H & I and A & B docks; and
- ❑ Capital expenditures at the Marina will decrease by \$414,404.

**Revenues**

Berth fees are the single largest source of revenue for the Marina, followed by licenses and leases, which are fixed until at least 2014. The proposed fee increases for FY 2010 will generate a net of \$222,468 in new annual revenue for FY 2010, comprised of the following: (note that all other fees on the Marina Rate Schedule for FY 2010 will remain unchanged):

- 1) A 6.25% fee increase for berths and dry storage will contribute \$199,588 in new annual revenue over the FY 2009 projected revenues;
- 2) A \$5.00 per month increase in Storage Locker fees will contribute \$4,751 in new annual revenue; and
- 3) A \$5.00 per day Small Boat Launch Ramp increase will contribute \$18,129 in new annual revenue.

**CURRENT SITUATION AND ITS EFFECTS**

Due to projected increases in expenditures at the Berkeley Marina in FY 2010, there is a need for additional revenue to cover costs. The primary factors contributing to the increase in expenditures are the following:

- ❑ Negotiated wage increases of 5% in FY 2009 and another 2% in FY 2010);
- ❑ Increased cost in utilities (electric and water); and
- ❑ Increased allocations for debt service on loans from the California Department of Boating and Waterways for capital improvements.

There are several factors that justify an increase to berth fees, storage locker fees, and small boat launch fees, as follows: (note that all other fees on the Marina Rate Schedule for FY 2010 will remain unchanged):

- There was no berth rate fee increase in FY 2009, despite increased expenses in FY 2009. (The most recent fee increase in berth rates at the Marina was in FY 2008 with Resolution No. 63,777-N.S.);
- 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 CPI. In February 2009, City staff conducted the Annual Survey of Bay Area Marinas, and 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 Rates (February 2009); and
- Staff anticipates that an increase in berth rates will not affect the occupancy rate negatively at the Marina because there are no new marinas opening in the area and there are limited alternative berthing options in the Central Bay Area.
- **Storage Lockers:** The Marina has 75 lockers located on A, B, C, D, and E docks that are rented to berthers to store equipment and supplies. After 30 years, the old lockers have begun to leak and the wood has begun to rot. The Marina has initiated a program to replace the lockers with a new secure and weather-resistant design. Over a five-year period, the \$5.00 per month increase in storage locker rental fees will recoup the \$300 per locker replacement cost.
- **Small Boat Launch Ramp:** The current fee to use the Berkeley Marina Launch Ramp is \$10.00, which includes the following: use of the ramp to launch and recover a boat carried on a trailer; all day parking in the lot adjacent to the ramp for the boater's vehicle and trailer; use of the restrooms; use of the fish cleaning station, dumpsters for disposal of fish carcasses, and other trash; and limited wash down facilities for boats, trailers and outboard motors. The \$5.00 increase will be used to cover the construction of additional fish cleaning facilities and parking lot improvements, and the increased cost to provide potable water to wash down boat and flush outboard motors.

### BACKGROUND

The fee increase for FY 2010 was discussed at two Waterfront Commission meetings – the Waterfront Commission Subcommittee meeting on March 4<sup>th</sup> 2009 and again at the regular meeting of the Waterfront Commission on March 11<sup>th</sup> 2009. Berthers were notified of the two meetings and were provided an opportunity to address the topic. At its meeting of March 11, 2009, the Waterfront Commission motioned to recommend that the fee increase be approved by the City Council. Moved, seconded, carried (Beier /

McGrath) Ayes – McGrath, Catalfo, Harrison, Goldstein, Beier, Barry; Nays – None;  
Recused – Kamen, Leary; Absent – none.

CONTACT PERSON

John Mann, Waterfront Manager, 510-981-6737

Attachments:

- 1: Proposed Marina Rates for FY 2010
- 2: Survey of Bay Area Marina Rates (February 2009)
- 3: Resolution  
    Exhibit A: Marina Rate Schedule for FY 2010
- 4: Public Hearing Notice

## Attachment 1

**Proposed Marina Rates for FY 2010****Monthly Base Berth Rate  
per foot**

|                              | <b>FY 2009</b> | <b>FY 2010</b> | <b>% Increase</b> |
|------------------------------|----------------|----------------|-------------------|
| 20 feet to 21feet            | \$ 6.87 / Ft   | \$ 7.30 / Ft   | 5.97%             |
| 22 feet to 24 feet           | \$ 7.28 / Ft   | \$ 7.72 / Ft   | 6.04%             |
| 25 feet to 29 feet           | \$ 7.72 / Ft   | \$ 8.20 / Ft   | 6.21%             |
| 30 feet to 39 feet           | \$ 8.19 / Ft   | \$ 8.68 / Ft   | 6.10%             |
| 40 feet to 49 feet           | \$ 8.67 / Ft   | \$ 9.20 / Ft   | 6.11%             |
| 50 feet to 59 feet           | \$ 9.20 / Ft   | \$ 9.75 / Ft   | 5.98%             |
| 60 feet to 69 feet           | \$ 9.75 / Ft   | \$ 10.35 / Ft  | 6.15%             |
| 70 feet to 79 feet           | \$ 10.33 / Ft  | \$ 10.95 / Ft  | 6.00%             |
| 80 feet to 89 feet           | \$ 10.95 / Ft  | \$ 11.60 / Ft  | 5.94%             |
| Dry Storage 24X8 (monthly)   | \$ 80.00 / Mo. | \$ 85.00 / Mo. | 6.25%             |
| Dry Storage 28X8 (monthly)   | \$ 90.00 / Mo. | \$ 95.00 / Mo. | 5.5%              |
| Skiffs (Side ties < 20 Feet) | \$ 70.00 / Mo. | \$ 75.00 / Mo. | 7.1%              |
| Daily Launch Ramp Fee        | \$ 10.00 / Day | \$ 15.00 / Day | 50 %              |
| Storage Lockers (monthly)    | \$ 20.00 / Mo. | \$ 25.00 / Mo. | 25%               |

**Examples:**

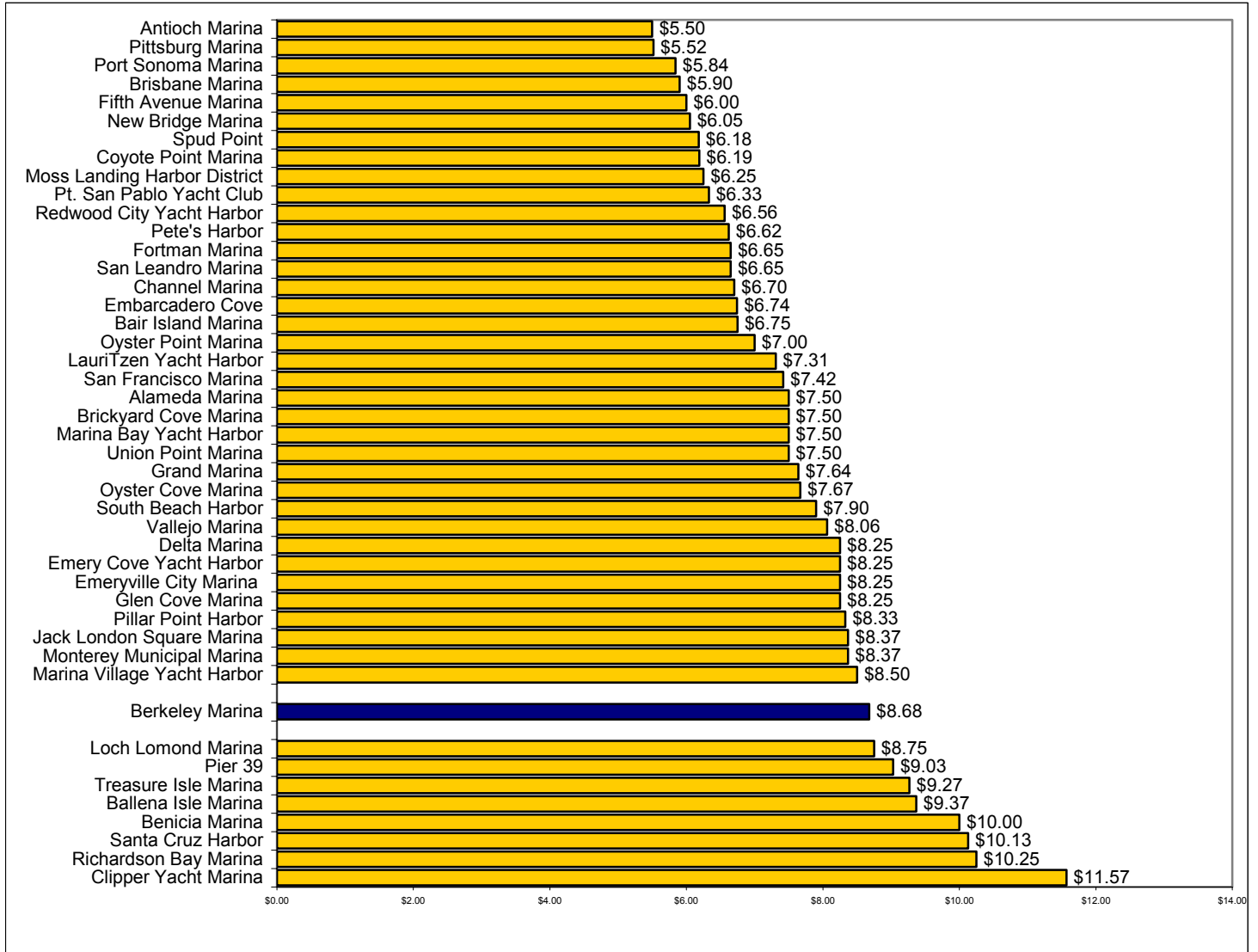
| <b>Monthly Berth Rates per Foot</b> | <b>FY 2009</b> | <b>New FY 2010 Fees</b> | <b>\$ Increase</b> |
|-------------------------------------|----------------|-------------------------|--------------------|
| 20 Berth                            | \$ 137.40      | \$ 146.00               | \$8.60             |
| 23 Berth                            | \$167.44       | \$ 177.56               | \$10.12            |
| 28 Berth                            | \$ 216.16      | \$ 229.32               | \$13.16            |
| 36 Berth                            | \$ 294.84      | \$ 312.12               | \$17.28            |
| 44 Berth                            | \$ 381.48      | \$ 404.80               | \$23.32            |
| 52 Berth                            | \$ 478.40      | \$ 507.00               | \$28.60            |
| 65 Berth                            | \$ 633.75      | \$ 671.45               | \$37.70            |
| 75 Berth                            | \$ 774.75      | \$ 821.25               | \$46.50            |

**Other FY 2010 Fees (unchanged for FY 2009)**

|                                     |                                       |
|-------------------------------------|---------------------------------------|
| Monthly Live Aboard Fees            | \$ 145.00 / Mo                        |
| Labor Fees (per occurrence)         | \$ 75.00                              |
| Wait List Fees                      | \$ 40.00                              |
| Monthly Launch Ramp                 | \$ 25.00 / Mo                         |
| Seasonal Launch Ramp                | \$ 100.00                             |
| Daily Visitor Berth Fees (per foot) | \$ 0.50 / Day                         |
| Chaining Fee (per occurrence)       | \$ 100.00                             |
| Electronic key passes (each)        | \$ 15.00                              |
| Annual Hoist Fee                    | \$ 36.00 / Yr                         |
| Tide Books                          | \$ 1.00 Ea.                           |
| Daily Impound Fee                   | \$ 55.00                              |
| Lien Fees                           | \$ 100.00                             |
| Charter Boat Fee (public dock)      | \$35.00 per event + \$1.00 per person |
| Transfer Fees                       | \$ 25.00                              |
| Event Parking Fee                   | \$ 10 per vehicle, per event          |

**Attachment 2**

**Survey of Bay Area Marina Rates (February 2009)**  
(With proposed Berkeley Marina Fee Increase for FY 2010)



RESOLUTION NO.

–N.S.

ESTABLISHING FEES TO BE CHARGED FOR BERTHS, STORAGE LOCKERS AND SMALL BOAT LAUNCH RAMP SERVICES PROVIDED AT THE BERKELEY MARINA AND RESCINDING RESOLUTION NO. 63,777-N.S. & RESOLUTION NO. 64,333-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, staff have determined that an increase to four fees – berth fees; dry storage fees; storage locker fees; and small boat launch fees – will generate \$243,468 in additional revenue that will lower the annual deficit down to \$300,451, and that all other Marina Fees will remain unchanged; and

WHEREAS, on March 11, 2009, the Waterfront Commission reviewed the Marina budget and the proposed increases in fees and, after receiving public comment during its regular meetings, recommended its approval by the City Council. Moved, seconded, carried (Beier / McGrath) Ayes –McGrath, Catalfo, Harrison, Goldstein, Beier, Barry Recused – Kamen, Leary.

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, 2009.

BE IT FURTHER RESOLVED that Resolution No. 63,777-N.S. and Resolution No. 64,333–N.S and all amendments are hereby rescinded.

**Marina Rate Schedule for FY 2010**

| <b>Monthly Base Berth Rate per foot</b> | <b>FY 2010</b> |
|-----------------------------------------|----------------|
| 20 feet to 21feet                       | \$ 7.30 / Ft   |
| 22 feet to 24 feet                      | \$ 7.72 / Ft   |
| 25 feet to 29 feet                      | \$ 8.20 / Ft   |
| 30 feet to 39 feet                      | \$ 8.68 / Ft   |
| 40 feet to 49 feet                      | \$ 9.20 / Ft   |
| 50 feet to 59 feet                      | \$ 9.75 / Ft   |
| 60 feet to 69 feet                      | \$ 10.35 / Ft  |
| 70 feet to 79 feet                      | \$ 10.95 / Ft  |
| 80 feet to 89 feet                      | \$ 11.60 / Ft  |
| Dry Storage 24X8 (monthly)              | \$ 85.00 / Mo. |
| Dry Storage 28X8 (monthly)              | \$ 95.00 / Mo. |
| Skiffs (Side ties < 20 Feet)            | \$ 75.00 / Mo. |
| Daily Launch Ramp Fee                   | \$ 15.00 / Day |
| Storage Lockers (monthly)               | \$ 25.00 / Mo. |

| <b>Other Fees</b>                   | <b>FY 2010</b>                        |
|-------------------------------------|---------------------------------------|
| Monthly Live Aboard Fees            | \$ 145.00 / Mo                        |
| Labor Fees (per occurrence)         | \$ 75.00                              |
| Wait List Fees                      | \$ 40.00                              |
| Monthly Launch Ramp                 | \$ 25.00 / Mo                         |
| Seasonal Launch Ramp                | \$ 100.00                             |
| Daily Visitor Berth Fees (per foot) | \$ 0.50 / Day                         |
| Chaining Fee (per occurrence)       | \$ 100.00                             |
| Electronic key passes (each)        | \$ 15.00                              |
| Annual Hoist Fee                    | \$ 36.00 / Yr                         |
| Tide Books                          | \$ 1.00 Ea.                           |
| Daily Impound Fee                   | \$ 55.00                              |
| Lien Fees                           | \$ 100.00                             |
| Charter Boat Fee (public dock)      | \$35.00 per event + \$1.00 per person |
| Transfer Fees                       | \$ 25.00                              |
| Event Parking Fee                   | \$ 10 per vehicle, per event          |



**NOTICE OF PUBLIC HEARING – BERKELEY CITY COUNCIL  
CITY COUNCIL CHAMBERS, 2134 MARTIN LUTHER KING JR. WAY  
FEES: BERKELEY MARINA - FISCAL YEAR 2010  
TUESDAY, MAY 19, 2009 AT 7:00 P.M.**

The Department of Parks Recreation and Waterfront is proposing to implement new fees at the Berkeley Marina. The Department proposes establishing a new rate schedule that increases: (1) berth fees by up to 6.25%; (2) dry storage rates by up to 25%; (3) storage locker rental fees by 25%; and (4) Small Boat Launch Ramp Fees by 50%. (see attached rate schedule).

A table of the existing and proposed new rates is posted at:  
<http://www.ci.berkeley.ca.us/citycouncil/publichearings/2009/>[URL to be determined]

For further information, please contact John Mann, Waterfront Manager, at 981-6737.

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. Comments received no later than Monday, May 11, 2009 will be included in Council agenda packets. Comments received thereafter will be submitted to Council as supplemental communications at the meeting. For further information, call Deanna Despain, CMC, City Clerk, 981-6900. FAX: (510) 981-6901. TDD: (510) 981-6903.

For further information, please contact John Mann, Waterfront Manager, Marina Division, Parks Recreation & Waterfront Department, at 510 981-6737.

Published: May 8 and May 15, 2009

Per Gov. Code 6062A

~~~~~  
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 8, 2009.

**Marina Rate Schedule for FY 2010**

| <b>Monthly Base Berth Rate per foot</b> | <b>FY 2010</b> |
|-----------------------------------------|----------------|
| 20 feet to 21feet                       | \$ 7.30 / Ft   |
| 22 feet to 24 feet                      | \$ 7.72 / Ft   |
| 25 feet to 29 feet                      | \$ 8.20 / Ft   |
| 30 feet to 39 feet                      | \$ 8.68 / Ft   |
| 40 feet to 49 feet                      | \$ 9.20 / Ft   |
| 50 feet to 59 feet                      | \$ 9.75 / Ft   |
| 60 feet to 69 feet                      | \$ 10.35 / Ft  |
| 70 feet to 79 feet                      | \$ 10.95 / Ft  |
| 80 feet to 89 feet                      | \$ 11.60 / Ft  |
| Dry Storage 24X8 (monthly)              | \$ 85.00 / Mo. |
| Dry Storage 28X8 (monthly)              | \$ 95.00 / Mo. |
| Skiffs (Side ties < 20 Feet)            | \$ 75.00 / Mo. |
| Daily Launch Ramp Fee                   | \$ 15.00 / Day |
| Storage Lockers (monthly)               | \$ 25.00 / Mo. |

| <b>Other Fees</b>                   | <b>FY 2010</b>                        |
|-------------------------------------|---------------------------------------|
| Monthly Live Aboard Fees            | \$ 145.00 / Mo                        |
| Labor Fees (per occurrence)         | \$ 75.00                              |
| Wait List Fees                      | \$ 40.00                              |
| Monthly Launch Ramp                 | \$ 25.00 / Mo                         |
| Seasonal Launch Ramp                | \$ 100.00                             |
| Daily Visitor Berth Fees (per foot) | \$ 0.50 / Day                         |
| Chaining Fee (per occurrence)       | \$ 100.00                             |
| Electronic key passes (each)        | \$ 15.00                              |
| Annual Hoist Fee                    | \$ 36.00 / Yr                         |
| Tide Books                          | \$ 1.00 Ea.                           |
| Daily Impound Fee                   | \$ 55.00                              |
| Lien Fees                           | \$ 100.00                             |
| Charter Boat Fee (public dock)      | \$35.00 per event + \$1.00 per person |
| Transfer Fees                       | \$ 25.00                              |
| Event Parking Fee                   | \$ 10 per vehicle, per event          |