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**DEPARTMENT OF PARKS  
AND COMMUNITY SERVICES**

ROBERT P. THOMAS  
DIRECTOR

G. ERLING LINGGI  
ASSISTANT DIRECTOR

WALTER S. UEDA  
DEPUTY DIRECTOR

May 17, 1989  
89-05-26

**CITY OF SACRAMENTO**  
CALIFORNIA

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SUITE 400  
SACRAMENTO, CA  
95814-2977

916-449-5200

DIVISIONS:  
CROCKER ART MUSEUM  
GOLF  
METROPOLITAN ARTS  
MUSEUM AND HISTORY  
PARKS  
RECREATION  
ZOO

Budget & Finance Committee  
Sacramento, California

Honorable Members in Session

Subject: State Department of Boating & Waterways \$500,000 loan  
for Sacramento Marina Expansion

SUMMARY

This report requests authorization to apply to the State of California Department of Boating & Waterways, for an additional loan of \$500,000 at 4.7% interest rate over 30 years for the final phase development of the Sacramento Marina Expansion project.

BACKGROUND INFORMATION

On June 6, 1984, the City Council approved the Feasibility Study and Master Plan for Miller Park and authorized the City Manager to submit a loan application in the amount of \$5,650,000 to the State Department of Boating & Waterways for the marina expansion. (See Attachment A for site plan) At the July 1985 Boating & Waterways Commission meeting, the Commission approved the City of Sacramento's loan request in the amount of \$2 million for Phase I of the project. This phase basically included excavation of material to form the new marina basin. Terms of the loan contract were for 30 years at 7.9% interest. However, with interest rates dropping in the private sector, the Commission, at their March 1987 meeting, agreed to lower interest rates on all outstanding Department of Boating & Waterways loans of 7.9% to 6% effective August 1, 1988. Therefore, the City's Phase I loan of \$2 million was reduced from 7.9% to 6% annually. This provides an annual debt service savings of approximately \$40,900.

The Phase II loan of \$3 million, Phase III loan of \$1.650 million and the Phase IV loan of \$1 million were all approved by the State Department of Boating and Waterways at 4.7% interest over a 30 year period. Phase II included construction and installation of the floatation system and covered berths that were completed in July 1988.

The contract for Phase III and IV will be awarded in May 1989 and will include the Marina Administration Building and associated work as well as parking, landscaping, site lighting and off site parking.

Due to the limited funding remaining for Phases III & IV a number of deductive bid alternatives were identified within the bid package. These were items that could possibly be funded at a later date and not have a negative impact on the overall expansion project. Those items included a marina basin water circulation system (flushing system), redwood view decks on the west side of the marina and concrete pedestrian walkways around the marina. With the exception of the water circulation system, all of the deductive items will be awarded. (Attachment B provides a breakdown of actual and estimated costs) In order for the water circulation system to be funded, staff is recommending that an additional loan of \$500,000 be requested from the State Department of Boating & Waterways. This loan can be acquired at 4.7% interest over a 30 year period with an annual debt payment of approximately \$35,000. (Attachment C projects our ability to pay back the loans and the effect on the marina's fund balance)

A breakdown of the funding and year requested follows:

Phase I (1985-86)	-	\$2,000,000	@ 6.0% interest
Phase II (1986-87)	-	\$3,000,000	@ 4.7% interest
Phase III (1987-88)	-	\$1,650,000	@ 4.7% interest
Phase IV (1988-89)	-	\$1,000,000	@ 4.7% interest
Phase V (1989-90)	-	\$ 500,000	@ 4.7% interest

FINANCIAL DATA

The total amount of \$8,150,000 of the Sacramento Marina Expansion loan will be repaid over 5 staggered 30-year terms ending fiscal year 2019-20. Annual debt service on the loans is estimated as follows:

<u>Loan</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Annual Payment</u>	<u>Payment Begins</u>
Phase I	\$2,000,000	6.0%	\$168,000	1989-90
Phase II	\$3,000,000	4.7%	\$210,000	1990-91
Phase III	\$1,650,000	4.7%	\$117,000	1991-92
Phase IV	\$1,000,000	4.7%	\$ 71,000	1992-93
Phase V	\$ 500,000	4.7%	\$ 35,000	1993-94
			<u>\$601,000</u>	

The Budget Office has provided assistance in determining the appropriate fee increase schedule and cash flow necessary to meet the debt obligations.

POLICY MATTERS

This report continues the policy of the use of debt to finance major long term Capital projects. The annual debt service cost will be paid over the life of the project by the users benefiting from the new facility.

MBE/WBE

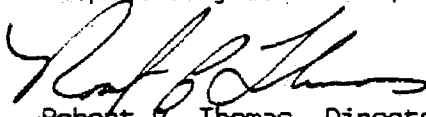
No impact.

RECOMMENDATION

It is recommended that the Budget & Finance Committee review this report and refer it to the full City Council. Further, it is recommended that Council, by resolution:

1. Authorize the Department of Parks and Community Services to request an additional \$500,000 loan from the State of California's Department of Boating & Waterways for the completion of Phase V of the Sacramento Marina Expansion project.
2. Authorize the City Manager and City Clerk to execute all documents necessary to apply for and receive loan agreements from the State of California, Department of Boating and Waterways.

Respectfully submitted,



Robert P. Thomas, Director  
Parks and Community Services

Recommendation Approved:



Jack R. Crist  
Deputy City Manger

Contact Person:

June 7, 1989  
All Districts

KEN HARRIS, RECREATION SUPERINTENDENT  
449-2031

**RESOLUTION NO.**

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

RESOLUTION AUTHORIZING THE DEPARTMENT OF  
PARKS AND COMMUNITY SERVICES TO REQUEST  
AN ADDITIONAL \$500,000 LOAN FROM STATE  
DEPARTMENT OF BOATING AND WATERWAYS

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

1. That the Department of Parks and Community Services is hereby authorized to request a \$500,000 loan from the State of California, Department of Boating and Waterways, for the completion of Phase V of the Sacramento Boat Harbor Expansion project.

2. That the City Manager and City Clerk are hereby authorized to execute all documents necessary to apply for and receive loan agreements from the State of California, Department of Boating and Waterways.

\_\_\_\_\_  
MAYOR

ATTEST:

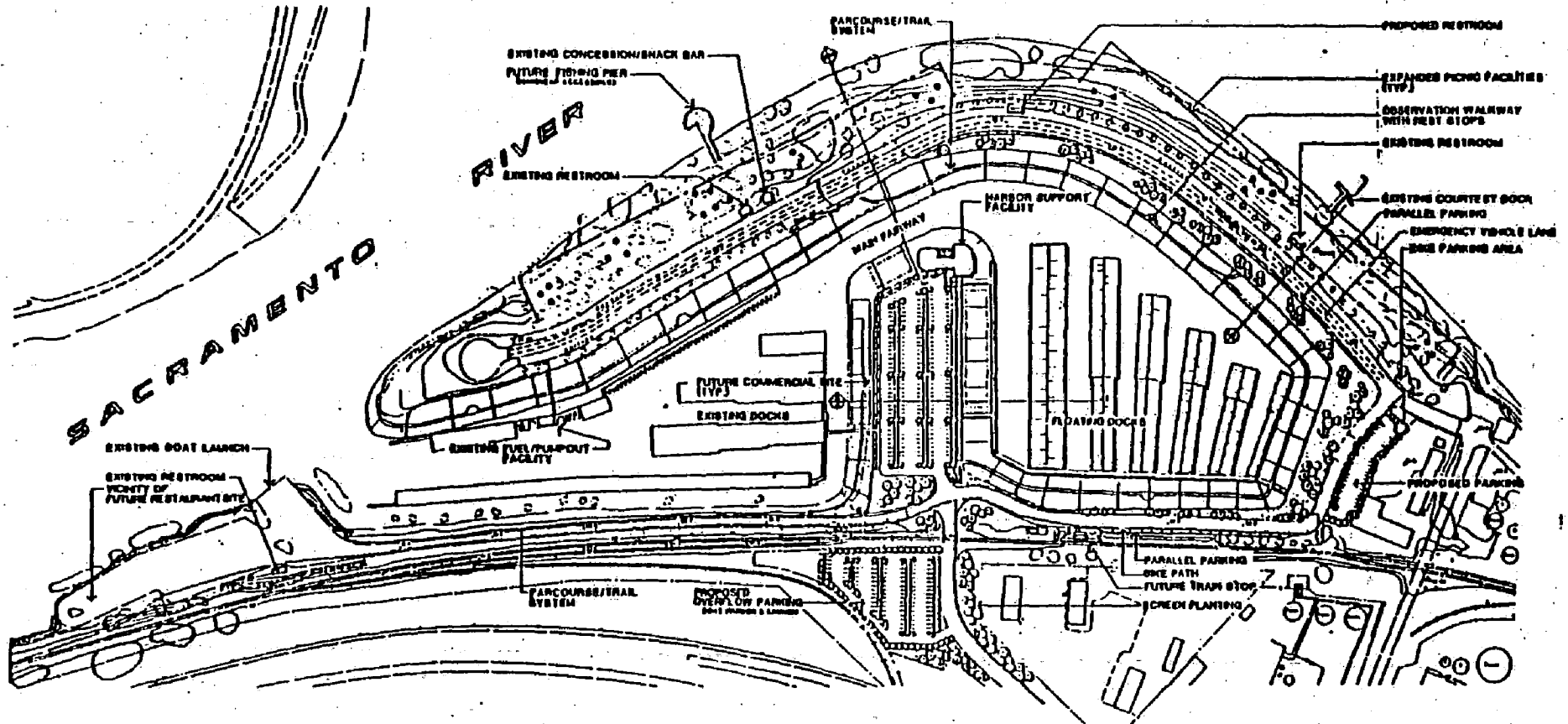
\_\_\_\_\_  
CITY CLERK

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**FOR CITY CLERK USE ONLY**

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_



**SACRAMENTO BOAT HARBOR EXPANSION PROJECT**  
 CITY OF SACRAMENTO DEPARTMENT OF PARKS AND COMMUNITY SERVICES

WINZLER AND KELLY  
 ENGINEERS

ROBERT LaROCCA & ASSOCIATES  
 LANDSCAPE ARCHITECTS

NEW BERTHS PERMANENT	number	length
	38	40'
	30	38'
	90	38'
	124	28'
	<b>382</b>	

EXISTING	288
FUTURE TOTAL	671

PARKING PROPOSED:	
COVE AREA	103
OVERFLOW	23
NORTH SIDE	67
PARALLEL	288
EXISTING	
<b>TOTAL:</b>	<b>680 SPACES</b>

MASTER PLAN  
 FOR  
 MILLER PARK



**Master Plan For Miller Park**

Figure 1-2

**SACRAMENTO BOAT HARBOR EXPANSION PROJECT**  
 City of Sacramento, Dept. of Parks and Community Services

## Sacramento Boat Harbor Expansion at Miller Park

brestal6

15-May-89

				CONTRACT I	FINANCES	SOURCE
Contractor Base Bid				\$2,880,683		
Slope Protection				\$273,999		
TOTAL				\$3,154,682	\$1,032,000	Landfill
Contingencies	5.18%		163,545	\$2,000,000		CalBoating
Consultants Design	2.12%		66,840	\$3,000,000		CalBoating
City Costs - Design	2.27%	4.38% Design	71,674			
Consultants Construction	1.38%		43,500			
City Costs - Construction	2.44%	3.82% C A	77,019			
				=====		
				\$3,577,061		
CONTRACT II						
TOTAL BID				\$3,336,150	\$1,652,000	CalBoating
Contingencies	4.35%		\$145,115	\$182,000		CalBoating Grant
Consultants Design	7.81%		224,999	\$313,000		Boat Harbor Fund
City Costs - Design	4.41%	12.22% Design	127,024	\$266,700		Boat Harbor Fund
Consultants Construction	3.91%		130,500			
City Costs - Construction	4.00%	7.91% C A	133,426			
				=====		
				\$4,097,214		
CONTRACT III						
TOTAL BID				\$610,000		
Contingencies	10.47%		\$63,893			
Consultants Design	6.96%		42,427			
City Costs - Design	3.06%	10.01% Design	18,655			
Consultants Construction	0.00%		0			
City Costs - Construction	10.87%	10.87% C A	66,289			
				=====		
				\$801,263		
CONTRACT IV						
TOTAL Sch A and Sch B BID (Without Harbor Flushing)				\$1,063,884	\$1,000,000	CalBoating
Contingencies	10.00%		\$106,400	\$317,300		
Consultants Design	4.77%		50,734			
City Costs - Des*	4.20%	8.97% Design	44,710			
Consultants Construction	0.00%		0			
City Costs - Construction	4.44%	4.44% C A	47,280			
				=====		
				\$1,313,088		
SUMMARY						
CONSTRUCTION				7,890,717	\$7,652,000	CalBoating Loans
SLOPE PROTECTION				273,999	\$182,000	CalBoating Grant
Contingencies	a	5.87%	478,953	\$1,032,000		Landfill
Consultants Design	a	4.72%	385,000	\$897,000		Harbor Fund
City Costs - Design	a	3.21%	261,862	=====		
Consultants Construction		2.13%	174,000	\$9,763,000		TOTAL PROJECT FUND
City Costs - Construction		3.97%	324,014			
TOTAL PROJECT EXPENSES				\$9,788,545		
PROJECT SHORTFALL				(\$25,545)		

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