



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: January 13, 2006
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CC File No.: 05-1200-42
Meeting Date: February 16, 2006

TO: Standing Committee on City Services and Budgets
FROM: General Manager of Corporate Services / Director of Finance
SUBJECT: Heather Civic Marina 2006 Fees and Charges

RECOMMENDATION

- A. THAT the moorage rates at the Heather Civic Marina be increased by 2.8 % effective April 1, 2006 as detailed in Appendix B, reflecting adjustments for market conditions and for inflationary increases in anticipated expenses.*
- B. THAT the electricity fees for recreational and liveaboard boaters at Heather Civic Marina be increased by 4.85% effective April 1, 2006 as detailed in Appendix B, reflecting the net increase in rates by BC Hydro in 2004-2005.*

COUNCIL POLICY

It has been City policy that the Heather Civic Marina moorage rates reflect but do not lead the local market.

Moorage rates at the Heather Civic Marina have been adjusted annually to reflect cost increases and current market conditions.

PURPOSE

The purpose of this report is to seek Council approval of moorage rates and other fees and charges at the Heather Civic Marina for the period from April 1, 2006 to March 31, 2007.

BACKGROUND

The City of Vancouver owns two marinas, both situated in False Creek and managed by the Park Board. The Heather Civic Marina has 254 mooring berths, including 27 liveaboard berths, while the Burrard Civic Marina has moorage for 471 boats.

Heather Marina is an asset of the Property Endowment Fund (PEF), and is operated as a business rather than a public service. Moorage and other fees are generally set at or near market levels such that operating expenses are covered and the net income accrues to the PEF. Moorage and other fees and charges are set annually by Council.

On February 17, 2005, Council approved a 3.0% increase in moorage rates and other fees at the Marina.

DISCUSSION

1. Moorage Rates

Moorage fees at the Heather Civic Marina account for about 90% of the marina's revenues, the balance coming from other fees. Moorage fees reflect the marina's operating costs as well as the market for moorage in False Creek and the Greater Vancouver area.

Based on a review of budgeted expenditures of for the marina, including wage increases of 3.0% effective April 1, 2006, the Director of Finance recommends that the moorage rates at the Heather Civic Marina be increased by 2.8% for 2006. The following table summarizes the current and proposed rates.

Table 1. Heather Marina Moorage Rates - per foot, per month

	Current Fee	Proposed Fee
General Moorage	\$8.50	\$8.74
Liveaboard Moorage	\$8.90	\$9.15

The liveaboard moorage fee includes a 5% surcharge reflecting the cost of the monthly payment option available to owners who live aboard their boats. Liveaboard boat owners who pay their annual moorage in advance can avoid the surcharge reflected in these fees.

The 2.8% increase also keeps the moorage rate at Heather comparable with other facilities in Greater Vancouver. Appendix A provides a comparison of rates as of January 2006 at various marinas in the area.

The increase is in line with the recent rate increase approved by the Park Board for the Burrard Marina. The difference in rates between the two City marinas reflects a generally superior facility at Heather Marina. A general moorage fee of \$8.75 per foot per month would be \$0.34 greater than the rate at Burrard Marina (\$8.41 before GST, for boats 22 ft. and over).

Temporary (transient) moorage is offered by the day when berths are available. Transient fees are charged at a premium to reflect the short term duration. It is recommended that these fees increase by 2.8%. Appendix B provides a detailed breakdown of current and proposed rates and other fees for Heather Civic Marina.

2. Electricity Charges

The use of electricity is available to recreational and liveaboard boaters. It is recommended that this charge be increased by 4.85% to reflect the net increase imposed by BC Hydro in 2004-2005.

NOTIFICATION TO INTERESTED PARTIES

Notification of the proposed changes in moorage rates and other fees at the Heather Civic Marina for 2006 and the date upon which the increase will be considered by the Standing Committee has been posted at the Marina.

CONCLUSION

This report recommends a general fee increase of 2.8% to moorage rates and an increase of 4.85% to electricity charges at the Heather Marina to reflect anticipated cost increases.

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MARINA MOORAGE RATE COMPARISON - AS AT JANUARY 2006

LOCATION	2006 RATES ¹	% CHANGE FROM 2005
Heather Civic Marina - Vancouver	\$8.74/ft/month (Recreational) (proposed) \$9.15/ft/month (Liveaboard) (proposed)	2.8% 2.8%
Burrard Civic Marina - Vancouver	\$7.38/ft/month (21 ft. and under) \$8.41/ft/month (22 ft. and over)	2.5% 2.8%
Coal Harbour Marina ² - Vancouver	\$10.37/ft/month (30 ft. and under) \$10.81/ft/month (34 ft.) \$11.02/ft/month (36 ft.) \$11.48/ft/month (40 ft.)	6.0% 6.0% 6.0% 6.0%
False Creek Marina - Vancouver	Members only: \$8.00/ft/month (36 ft. and under) \$8.50/ft/month (over 36 ft.) \$0.75/ft/day + \$5.00/day utility (Members - Temporary Moorage) \$1.50/ft/day + \$5.00/day utility (Non-Members - Temporary Moorage) Liveaboards: pay member moorage rates + \$100/month + \$600 (annual fee) + \$5,000 (one time initiation fee)	No Change in 2006
Spruce Harbour Marina - Vancouver	Recreational: \$8.25/ft/mo (all sizes) Liveaboard: \$5.15/ft/mo. +\$43,500 (license and co-op fee)	No change in monthly rate; 1.2% increase in license and co-op fee
Pelican Bay Marina - Vancouver	Annual Rate of \$5,000 to \$16,000	No change
Mosquito Creek Marina - North Vancouver	2005 Rates: \$8.86/ft/month (24 feet) \$9.09/ft/month (26 feet) \$9.49/ft/month (30 feet)	2006 Rates not available
Thunderbird Marina - West Vancouver	\$7.22/ft/month (21 ft.) \$9.29/ft/month (26 ft.) \$10.53/ft/month (30 ft.) 5% discount if paid in full by March 15	2.3% 2.8% 3.0%

Notes:

1. All rates exclude GST
2. Coal Harbour rates are based on annual payments. There is a 20% surcharge for monthly instalments of the annual fee.

SUMMARY OF PROPOSED 2006 HEATHER MARINA FEES

Service	2005 Fee, Excluding GST	2006 Fee, Excluding GST
Moorage Fees:		
General Moorage	\$8.50/ft/month	\$8.74/ft/month
Liveaboard Moorage	\$8.90/ft/month	\$9.15/ft/month
Transient Moorage	\$1.03/ft/day	\$1.06/ft/day
Liveaboard Fees:		
Liveaboard Surcharge	\$26.50/month	\$26.50/month
Liveaboard Parking	\$38.26/month	\$38.26/month
Use of Electricity:		
Liveaboards	\$0.63/KW	\$0.66/KW
Recreational Boaters (15 amp)	\$15.12/month	\$15.85/month
Recreational Boaters (30 amp)	\$30.25/month	\$31.72/month