

**CASITAS MUNICIPAL WATER DISTRICT
Board of Directors Memo**

DATE: 04/08/2022

TO: Board of Directors

FROM: Michael Flood, General Manager

SUBJECT: **Lake Casitas Recreation Area Fee-Change Hearing**

RECOMMENDATION

The Board of Directors adopt the revised Lake Casitas Recreation Area Fee Schedule as presented.

BACKGROUND AND OVERVIEW

A fee survey was conducted by Lake Casitas Recreation Area (LCRA) Staff for the purpose of evaluating the current market rate for LCRA services, and fees. An informal survey was conducted between the months of January 2022 to February 2022. The information gathered is from similar agencies and although these agencies vary in services, location and amenities, the goal is to stay within the market rate without overpricing. The results of the survey are attached.

At the March 23, 2022 Regular Board Meeting, a hearing was set for April 13, 2022.

ANALYSIS

Based on the information gathered, staff identified camping (tent, trailer and RV's), snowbird program, pet fees, Casitas Water Adventure, and the Commercial Activity Permit and Agreement, as areas for consideration of user fee adjustment. Camping is the LCRA's largest revenue source but has the greatest costs associated with operations and maintenance.

Camping and Snowbird fees were last adjusted (increased) in March of 2020. The LCRA is currently at the average with tent camping and slightly above for partial and full service campsites (water, electricity, and sewer) when compared to County and State Parks. However LCRA is below that of private parks with full-service campsites and the equivalent amenities such as a store, café, pool, and proximity to a town, then that of most County and State facilities.

Casitas Water Adventure fees were last increased in March of 2020. The Casitas Water Adventure has high staff costs with hourly rates above minimum wage to maintain quality staff. CWA staff are also involved in activities other than lifeguarding, such as Junior Lifeguards Day Camp and a Water Exercise class.

The LCRA's goal is the ability to provide adequate reserves in order to build a capital improvements fund for future capital projects.

LCRA Staff recommends a user fee increase for camping, snowbirds, and the waterpark. This will offset the rising cost of supplies to maintain both campsites and the CWA's Lazy River facility.

Staff is also modifying campsites to accommodate the larger modern RV's and trailers that guests are using, which is larger than that which these sites were established for. This will provide a better camping experience for the LCRA's guests.

Camping Permit Fee Adjustment:

The current campsites are identified as Tent, Basic, Deluxe, and Executive sites. Plans are to also provide Premium sites in the near future. The high demand for Deluxe and Executive sites, which have full amenities (water, electricity and sewer) is growing due to the increased number of RV's and trailers visiting the LCRA. The addition of Premium sites (sites located on ends of camping sites which provide more space and privacy) will accommodate larger RV's and trailers than the most other sites.

Staff recommends the following adjustments to Camping permit fees:

1. Tent, Basic, Deluxe, and Executive sites: Approximately 15% increase
2. Pricing of Premium sites: Set a range at 5% above the Executive sites.

Snowbird Fee Adjustment:

The LCRA's Snowbird Program is popular and LCRA Guest Services begins receiving inquiries about the program status and availability several months prior to accepting applications. The program runs between October 1st and March 31st.

The LCRA currently has thirty-five campsites reserved for the Snowbird program with approximately fifteen Basic, ten Deluxe, and ten Executive sites. Executive sites are the most popular and Snowbirds will often book a Deluxe site just prior to the start of the program until they can move into an Executive site on December 1 (Note: Executive sites are held back from the program until December 1st to accommodate the Thanksgiving holiday period).

An adjustment to the Snowbird Program pricing will assist with updating campsites and will include sewer pumping of units camping in a Basic or Deluxe site. This will also eliminate campers transporting human waste from their trailer or RV across the park in specialized containers to dump.

Staff recommends the following adjustments to Snowbird fees:

1. Increase of approximately 33% for the Snowbird Program to include the cost of sewer pumping (current cost for sewer pumping is \$20.00).

Casitas Water Adventure Fee Adjustment:

The Casitas Water Adventure is a bonus for campers visiting LCRA and provides an option for cooling off and deters guests from entering the Lake.

The loss of the Aquatic Play Structure (APS) in 2021 will require staff to focus on the Lazy River in order to provide CWA services until a decision is made on replacement of the APS.

Staff is recommending the following for the 2022 Casitas Water Adventure Season:

1. A flat rate of \$15.00 per guest. This will provide guests with the best opportunity to enter the Lazy River in a necessarily limited capacity area.

The CWA fee structure will be revisited when a decision is made on the future of an Aquatic Play Structure.

SUMMARY

Staff recommends adjustments to the LCRA fees as follows:

1. Tent, Basic, Deluxe, and Executive campsites: 15% increase
2. Pricing of Premium campsites: Set at 5% above the Executive sites.
3. Increase of approximately 33% for the Snowbird Program to include the cost of sewer pumping (current cost for sewer pumping is \$20.00).
4. A flat Casitas Water Adventure entry fee of \$15.00 per guest for entrance to one of two four hour sessions on Saturdays and Sundays.

Refer to the attached table of the current LCRA user fees, and user fees for consideration.