

03-6-18-10

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**AGENDA COVER MEMO**

**DATE:** June 18, 2003  
**TO:** Board of County Commissioners  
**DEPT.:** Public Works/Parks Division  
**PRESENTED BY:** Rich Fay, Parks Manager  
**AGENDA ITEM TITLE:** IN THE MATTER OF APPROVING LETTERS TO THE OREGON CONGRESSIONAL DELEGATION AND ARMY CORPS OF ENGINEERS REGARDING THE REPAIRS TO FERN RIDGE LAKE DAM AND THE FINANCIAL IMPACT TO THE PARKS DIVISION

**I. MOTION**

MOVE TO APPROVE THE ORDER TO SIGN A LETTER TO THE OREGON CONGRESSIONAL DELEGATION REGARDING THE REPAIRS TO FERN RIDGE LAKE DAM AND REQUESTING \$279,515 TO MITIGATE THE FINANCIAL IMPACT TO THE PARKS DIVISION.

**II. ISSUE OR PROBLEM**

The Army Corps of Engineers has announced repairs to the Fern Ridge Dam will be necessary in the summer of 2004. The Lane County Parks Division will experience significant funding shortfalls when recreation activities at Fern Ridge Lake are curtailed by the U.S. Army Corps of Engineers for repairs on the dam. The Parks Division is requesting funds as part of the Fern Ridge Lake Dam repair appropriations to mitigate the financial impact on the Parks Division.

**III. DISCUSSION**

**A. Background**

The Lane County Parks Division will experience significant funding shortfalls when recreation activities at Fern Ridge Lake are curtailed by the U.S. Army Corps of Engineers for repairs in 2004 on the dam. Our Parks Division has a twenty-five year lease with the Army Corps of Engineers on four properties on Fern Ridge Lake; Orchard Point Park, Richardson Park, Zumwalt Park, and Perkins Peninsula Park. These properties include day use areas, campgrounds, marina docks, and special use areas where we collect user fees that provide support for our Division's maintenance activities on the properties.

Since the parks on Fern Ridge Lake provide approximately 22 % of our revenues, if Fern Lake is drained to minimum pool for an entire season, it would result in

devastating consequences for our Parks Division. The consequences include possible reductions in existing full time personnel, the loss of revenue producing service contracts, serious service level reductions effecting the entire parks system and possible closing of some other park areas. Lane County Parks believes that keeping the Fern Ridge Lake day use and campgrounds areas open, maintained and protected for public use are top priorities for Lane County.

## **B. Analysis**

Parks staff has analyzed the actual revenues and expenses for the past four years to determine the amount of estimated revenue loss that might be experienced if the Lake is unavailable for water based recreation in 2004. The comparison "Lane County Parks Division – Three Year Average of Revenue and Expenses" (please see Attachment A) documents the average revenues and therefore the corresponding projected losses of revenue Lane County Parks expects to experience at Fern Ridge Lake parks. The comparison includes the assumption that the Richardson Park campground may receive 30% occupancy of a normal year. Even with reduced public usage, significant maintenance costs will continue to be incurred at the four parks. The projected loss of revenues from these park areas and facilities is \$279,515.

Since expenses at the Fern Ridge Lake Parks average \$618,271 annually, they exceed revenues even in a normal operating year. Lane County Parks therefore subsidizes the operations of these Fern Ridge parks with other revenue sources. Consequently, a loss of the Fern Ridge revenues would negatively affect the entire Lane County Parks Division operations program.

The proposed letters are requesting that the respective officials of the Oregon Congressional delegation and Army Corps work with Lane County Parks to include in the funding request from the U.S. Congress to repair Fern Ridge Lake Dam an amount for distribution to Lane County Parks of \$279,515 to mitigate our projected losses.

The letters would be addressed to Representative Peter DeFazio and Senators Gordon Smith and Ron Wyden. An additional letter would be addressed to Carolyn Flaherty, Dam Safety Section, and Army Corps of Engineers.

## **C. Alternatives/Options**

You have at least the following options with regard to this matter:

1. Move to approve the Order to sign letters to the Oregon Delegation and Army Corps of Engineers requesting their support to include funding of \$279,515 for Lane County Parks to mitigate the financial impact to the Parks Division if the Fern Ridge Lake is not filled for recreation in 2004.

2. Do not approve the Order and direct staff to prepare reductions in the Parks Division budget to reflect the loss of revenue from Fern Ridge Lake.

**D. Recommendation**

Staff recommends option #1.

**E. Timing**

If signed, the letters will be conveyed to the addressees.

**IV. IMPLEMENTATION/FOLLOW-UP**

Depends on direction.

**V. ATTACHMENTS**

Attachment A - Lane County Parks Division- Fern Ridge Lake Parks Projected Average Revenue and Expenses.

IN THE BOARD OF COMMISSIONERS OF LANE COUNTY, OREGON

ORDER No. \_\_\_\_\_

)IN THE MATTER OF APPROVING  
)LETTERS TO THE OREGON  
)CONGRESSIONAL  
)DELEGATION AND ARMY CORPS OF  
)ENGINEERS REGARDING THE  
)REPAIRS TO FERN RIDGE LAKE DAM  
)AND THE FINANCIAL IMPACT TO  
)THE PARKS DIVISION

**WHEREAS**, the Lane County Parks Division has a twenty-five year lease with the Army Corps of Engineers on four properties on Fern Ridge Lake, Orchard Point Park, Richardson Park, Zumwalt Park, and Perkins Peninsula Park; and

**WHEREAS**, these properties include day use areas, campgrounds, marina docks, and special use areas where the Parks Division collects user fees, of approximately \$279,515 annually, that provide revenues for the Division's activities on the properties; and

**WHEREAS**, it has been determined by the Army Corps of Engineers that repairs to the Fern Ridge Dam will be necessary in the summer of 2004 and the Lake will not be filled for recreational use; and

**WHEREAS**, the Parks staff recommends requesting, in letters to the Oregon Congressional delegation and Army Corps of Engineers, that they work to include in the Fern Ridge Dam repair appropriations an amount of \$279,515 to mitigate the financial impact on the Parks Division;

**NOW, THEREFORE, IT IS HEREBY ORDERED** that the attached letters be approved; and

**IT IS FURTHER ORDERED** that the Chair of the Board be authorized to sign the letters.

DATED this \_\_\_\_\_ day of June 2003.

\_\_\_\_\_  
Peter Sorenson, Chair  
Lane County Board of Commissioners

APPROVED AS TO FORM

Date 6-9-03 lane county,

  
OFFICE OF LEGAL COUNSEL

Attachment A-Lane County Parks Division  
Fern Ridge Lake- Three Year Average of Revenue and Expenses

**REVENUES**

**3 year  
Average<sup>1</sup>**

Picnic/SUP:

Based on 100 % loss of revenue

Orchard Point

Richardson

Miscellaneous

**TOTAL**

**\$13,586**

Admissions:

Based on 100 % loss of revenue

Orchard Point

Orchard Point Marina

Richardson

Perkins

**TOTAL**

**\$97,992**

Richardson Camping Revenues:

Based on 70 % loss of revenue

Totals

\$103,319

Campground revenue at 30% capacity

\$34,440

Revenue loss of 70% due to reduced occupancy

**\$68,879**

Moorage:

Richardson/Orchard Point

**\$99,058**

Based on 100% loss of revenue

**Total Projected Loss for 2004 assuming Fern  
Ridge Lake is not filled**

**\$279,515**

**EXPENSES**

Richardson

\$248,377

Orchard Point

\$200,322

Perkins Peninsula

\$56,020

Zumwalt

\$13,917

Campground concessionaires

\$99,635

**Total Expenses**

**\$618,271**

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<sup>1</sup> The three-year average is based on actuals from the years 1999, 2000, 2002. The actuals from the drought-influenced year of 2001 were not used. Detail for all these figures is available upon request.



# Lane County Board of Commissioners

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Bill Dwyer  
Bobby Green, Sr.  
Tom Lininger  
Anna Morrison  
Peter Sorenson

June 18, 2003

WD bc/ps/03142/T

Carolyn Flaherty  
Army Corps of Engineers  
Dam Safety Section  
PO Box 2946  
Portland, Oregon 97208

Dear Carolyn:

The Lane County Parks Division will experience significant funding shortfalls when recreation activities at Fern Ridge Reservoir are curtailed by the U.S. Army Corps of Engineers for repairs on the dam. Our Parks Division has a twenty-five (25) year lease on four properties on Fern Ridge Reservoir: Orchard Point Park, Richardson Park, Zumwalt Park, and Perkins Peninsula Park. These properties include day use areas, campgrounds, marina docks, and special use areas where we collect user fees that provide support for our Division's maintenance activities on the properties. Lane County Parks Division receives no General Fund (property tax) revenue support, but relies on a local car rental tax, state funding sources and revenue from fees and charges.

Over the past few years, Lane County Parks Division has been very financially stressed. In most years, we have only been able to fund maintenance activities with only small carryover balances. The drought year of 2001 caused a large funding deficit that we are still struggling to overcome. In fact, due to this financial position for our Division, we have been unable to fill two full-time staff positions and nine seasonal maintenance positions, experienced a loss of funds to match grants, and the inability to replace aged equipment and infrastructure.

Since the parks on Fern Ridge Reservoir provide approximately 22 % of Parks revenues, if Fern Ridge Reservoir is drained to minimum pool for an entire season, it would result in devastating consequences for the Parks Division. The consequences include possible further reductions in existing full-time personnel, the loss of revenue producing service contracts, serious service level reductions effecting the entire parks system and possible closing of some other park areas. Lane County Parks staff and the Board of County Commissioners believes that keeping the Fern Ridge day use and campgrounds areas open, maintained and protected for public use are top priorities for Lane County.

Parks staff has prepared a comparison analysis regarding the revenues and expenses of maintaining the four parks on the Fern Ridge Reservoir. The comparison "Lane County Parks Division - Fern Ridge Lake Parks Projected Average Revenue and Expenses" includes the assumption, based on past experience, that the Richardson Park campground may receive 30% occupancy of a normal year and even with reduced public usage, significant maintenance costs will continue to be incurred at the four parks.

Since expenses at the Fern Ridge Reservoir Parks exceed revenues even in a normal operating year, Lane County Parks subsidizes the operations of these Fern Ridge parks with other revenue sources. Therefore, a loss of these revenues would negatively affect the entire Lane County Parks Division operations program.

Therefore, the Board of County Commissioners is requesting that your office work with Lane County Parks to include in the funding request from the U.S. Congress an amount for distribution to Lane County Parks of \$279,515 to offset our projected losses in the event Fern Ridge Reservoir will not be usable for recreation. Please find enclosed "Lane County Parks Division- Fern Ridge Reservoir Parks Projected Average Revenue and Expenses" for your review. This report documents the revenues Lane County Parks receives from the operations at Fern Ridge Reservoir parks. We appreciate your consideration in this matter.

Sincerely,

Peter Sorenson, Chair  
Lane County Board of Commissioners

Enclosures

c Eugene Office  
Commissioner Anna Morrison, Vice-Chair  
Commissioner Bobby Green  
Commissioner Bill Dwyer  
Commissioner Tom Lininger  
Tony Bieda, Lane County Intergovernmental Relations



# Lane County Board of Commissioners

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Bill Dwyer  
Bobby Green, Sr.  
Tom Lininger  
Anna Morrison  
Peter Sorenson

June 18, 2003

WD bc/ps/03140/T

Honorable Peter DeFazio  
House of Representatives  
2134 Rayburn HOB  
Washington, DC 20515

Dear Representative DeFazio:

The Lane County Parks Division will experience significant funding shortfalls when recreation activities at Fern Ridge Reservoir are curtailed by the U.S. Army Corps of Engineers for repairs on the dam. Our Parks Division has a twenty-five (25) year lease on four properties on Fern Ridge Reservoir: Orchard Point Park, Richardson Park, Zumwalt Park, and Perkins Peninsula Park. These properties include day use areas, campgrounds, marina docks, and special use areas where we collect user fees that provide support for our Division's maintenance activities on the properties. Lane County Parks Division receives no General Fund (property tax) revenue support, but relies on a local car rental tax, state funding sources and revenue from fees and charges.

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Commissioner Tom Lininger  
Tony Bieda, Lane County Intergovernmental Relations



# Lane County Board of Commissioners

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Bill Dwyer  
Bobby Green, Sr.  
Tom Lininger  
Anna Morrison  
Peter Sorenson

June 18, 2003  
WD bc/ps/03141/T

The Honorable Gordon Smith  
U.S. Senate  
404 Russell Building  
Washington, DC 20510-3704

Dear Senator Smith:

The Lane County Parks Division will experience significant funding shortfalls when recreation activities at Fern Ridge Reservoir are curtailed by the U.S. Army Corps of Engineers for repairs on the dam. Our Parks Division has a twenty-five (25) year lease on four properties on Fern Ridge Reservoir: Orchard Point Park, Richardson Park, Zumwalt Park, and Perkins Peninsula Park. These properties include day use areas, campgrounds, marina docks, and special use areas where we collect user fees that provide support for our Division's maintenance activities on the properties. Lane County Parks Division receives no General Fund (property tax) revenue support, but relies on a local car rental tax, state funding sources and revenue from fees and charges.

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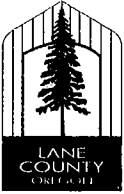
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# Lane County Board of Commissioners

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Bill Dwyer  
Bobby Green, Sr.  
Tom Liningier  
Anna Morrison  
Peter Sorenson

June 18, 2003  
WD bc/ps/03142/T

The Honorable Ron Wyden  
U.S. Senate  
Senate Office Building  
516 Hart  
Washington, DC 20510-3703

Dear Senator Wyden:

The Lane County Parks Division will experience significant funding shortfalls when recreation activities at Fern Ridge Reservoir are curtailed by the U.S. Army Corps of Engineers for repairs on the dam. Our Parks Division has a twenty-five (25) year lease on four properties on Fern Ridge Reservoir: Orchard Point Park, Richardson Park, Zumwalt Park, and Perkins Peninsula Park. These properties include day use areas, campgrounds, marina docks, and special use areas where we collect user fees that provide support for our Division's maintenance activities on the properties. Lane County Parks Division receives no General Fund (property tax) revenue support, but relies on a local car rental tax, state funding sources and revenue from fees and charges.

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