



# MEMO

**DATE:** October 25, 2013  
**TO:** Curtis Black, Deputy Director - Parks  
**FROM:** Larry Iaquinto  
**SUBJECT:** Camp French Assessment

## **Report Summary**

Boy Scouts of America (BSA) has recently indicated that they may want to terminate their agreement with Zone 3, Flood Control and Water Conservation District (District) and no longer operate the 72 acre Camp French. Following multiple contacts from Public Work's and the BSA, GSA - County Parks staff have prepared the following assessment and preliminary plan to operate Camp Mable French (Camp).

This analysis included: onsite staff and management interviews; examination of current operational and financial data supplied by BSA; comparison of participation, operating cost, and revenue data against similar facilities currently operated by County Parks; infrastructure condition assessment for the Camp; and review of existing agreements with County Counsel.

## **Recommendation**

It is recommended the GSA-County Parks take over the operations of Camp French based on the following:

1. Initial analysis and projections show Camp would be a financial benefit to County Parks.
2. Infrastructure inventory is in very good condition and minimal capital output is necessary to begin achieving gains in net revenue.
3. No additional full time staff required.
4. Meets Parks mission statement of providing diverse recreational opportunities for the public.

GSA recommends that the County pursue legal steps to transfer operations and maintenance of the Camp to County Parks if BSA provides notice of termination of their current Lease with the District. The District would amend the Lease with BSA, BSA exits and District amends MOU with County Parks for Lopez Lake Recreation Area (LLRA) to include the Camp within the LLRA allowing County Parks to operate the Camp. In collaboration with Public Works, Real Property Services, and County Counsel, all proposed changes to existing agreements have been reviewed and approved by County Counsel.

## **Limitations of assessment**

Capital costs are staff estimates and lack of comparable operating revenues to BSA model.

## Camp French Infrastructure Condition Assessment

Parks staff completed an infrastructure condition assessment of the structures within the 72 acre Camp French area. Staff found the area and structures to be in very good condition with little capital outlay needed to start operating the facility in the short term. Facilities include a 3,000 sq. ft. lodge building (event center) complete with a recently renovated commercial kitchen, new roof, meeting area and hall, five bathroom buildings, one shower facility, a double-wide mobile home (Ranger Residence), workshop and a sewer lift station that serves the area. The short term and long term capital outlay needed over the next ten years is described further in the report.

A total of \$80,500 is required over the short term years 0-5, with \$51,000 required in the first year to implement repairs and upgrades to facilities as noted above. Repairs include ADA upgrades to restroom facilities, roof replacement, improvements to the sewer lift station, maintenance to the existing secondary access road and various other minor improvements. These costs were estimated based on a capital replacement schedule.

	Sq Ft	FY2013-14	FY2014-15	FY2015-16	FY2016-17	FY2017-18	
Event Center	3000	\$0	\$0	\$2,500	\$0	\$0	<b>\$2,500</b>
Bathroom 1	150	\$4,500	\$0	\$0	\$2,000	\$0	<b>\$6,500</b>
Bathroom 2	150	\$4,500	\$0	\$0	\$2,000	\$0	<b>\$6,500</b>
Bathroom 3	150	\$4,500	\$0	\$0	\$2,000	\$0	<b>\$6,500</b>
Bathroom 4	150	\$4,500	\$0	\$0	\$2,000	\$0	<b>\$6,500</b>
Bathroom 5	150	\$4,500	\$0	\$0	\$2,000	\$0	<b>\$6,500</b>
Shower Building	840	\$6,500	\$2,500	\$0	\$0	\$7,000	<b>\$16,000</b>
Mobile Home	1440	\$1,000	\$2,000	\$1,000	\$500	\$0	<b>\$4,500</b>
Lift Station 5		\$10,000	\$0	\$0	\$0	\$0	<b>\$10,000</b>
Misc. Small Equip		\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	<b>\$5,000</b>
Access Road		\$10,000	\$0	\$0	\$0	\$0	<b>\$10,000</b>
<b>Total</b>		<b>\$51,000</b>	<b>\$5,500</b>	<b>\$4,500</b>	<b>\$11,500</b>	<b>\$8,000</b>	<b>\$80,500</b>

### Short Term Operational Plan, First 5 Years

#### Programs:

The short term plan would allow for near immediate operation of the Camp and is anticipated to be in effect for a five year period. Staff's recommendation is to re-align the existing group camping areas into four small group camping areas and three large group camping areas. Due to the layout of the Camp, these areas could be rented entirely, individually or in any combination. Additionally the lodge would be used as an event center for weddings, business retreats, team building functions, parties and other events.

#### Financial:

The revenue and expenses associated with the implementation of the short term plan are outlined below in Table 2. The annual revenue projections examined the current operational and financial data supplied by BSA, adjusted by comparison of participation, operating costs, and revenue data against similar facilities currently operated by County Parks. Specifically, for both small and large group areas and the event center the projections are based on actual usage from the LLRA and similar facilities (camp sites, group campgrounds and community buildings) with the existing fee schedule currently in effect for County Parks.

The annual expenses include utilities, supplies and seasonal staff necessary to maintain the acreage. Maintenance equipment would be provided from the existing fleet maintained for the LLRA.

<b>Table 2</b>						
<b>Short Term (First 5 years) Business Plan</b>						
<b>Camp French</b>						
	FY2013-14	FY2014-15	FY2015-16	FY2016-17	FY2017-18	Totals
<b>Operating Revenues</b>						
Event Center	\$32,175	\$64,350	\$64,350	\$64,350	\$64,350	\$289,575
Camping	\$61,926	\$123,852	\$123,852	\$123,852	\$123,852	\$557,334
<b>Total Revenues</b>	<b>\$94,101</b>	<b>\$188,202</b>	<b>\$188,202</b>	<b>\$188,202</b>	<b>\$188,202</b>	<b>\$846,909</b>
<b>Operating Expenses</b>						
Building Maintenance/Supplies	\$5,500	\$11,000	\$11,000	\$11,000	\$11,000	\$49,500
Gas	\$3,750	\$7,500	\$7,500	\$7,500	\$7,500	\$33,750
Electricity	\$4,000	\$8,000	\$8,000	\$8,000	\$8,000	\$36,000
Water & Sewer	\$3,400	\$6,800	\$6,800	\$6,800	\$6,800	\$30,600
Seasonal staff	\$6,000	\$12,000	\$12,000	\$12,000	\$12,000	\$54,000
Camp Hosts	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$22,650</b>	<b>\$45,300</b>	<b>\$45,300</b>	<b>\$45,300</b>	<b>\$45,300</b>	<b>\$203,850</b>
<b>Gross Profit</b>	<b>\$71,451</b>	<b>\$142,902</b>	<b>\$142,902</b>	<b>\$142,902</b>	<b>\$142,902</b>	<b>\$643,059</b>
<b>Infrastructure</b>	\$51,000	\$5,500	\$4,500	\$11,500	\$8,000	\$80,500
<b>Net</b>	<b>\$20,451</b>	<b>\$137,402</b>	<b>\$138,402</b>	<b>\$131,402</b>	<b>\$134,902</b>	<b>\$562,559</b>

Infrastructure:

The estimated year one infrastructure costs are \$51,000 and the 5 year infrastructure costs total \$80,500. These items address realigning the existing group camping areas into four small group camping areas, three large group camping areas and operating the current lodge - utilizing it as an event center. These costs were estimated as part of Table 1, Facility Condition Assessment based on annual estimated capital replacement schedule.

**Long Term Operating Plan, Years 6 and Beyond**

Programs:

Programing for the Camp would be enhanced in the long term through investment in capital projects to provide a bridge over Lopez Creek to allow year around access from Lopez Lake campgrounds. See Table 3. Additional camping and events would be provided in winter months that were not available in the short term. Cabins would also be added to provide a more up-scale camping experience. Many boaters and visitors without motor homes prefer to stay in a cabin rather than camp in tents. The addition of twelve small cabins to the inventory of individual and group camps at Camp French will enhance the recreational opportunities at Lopez Lake and enhance revenues to support infrastructure needs throughout the park not just at Camp French.

Financial:

The addition of services provided in the long term plan will be dependent on the success of the short term plan. That is, enhanced recreational programs are dependent upon Camp French contributions to the park project reserves. Should the Camp perform below expectations, the enhancements (bridge and or cabins) would be delayed and the Camp would continue to operate on the short term plan. If these projects are not realized, annual revenues over expenses are estimated based on the short term operating plan and are estimated to average \$126,802 annually.

With enhanced services, it is estimated the long term operating plan would provide annual revenues over expenses (Net) in year 6 of \$188,842 and \$266,158 in years 7 - 10 (Table 3) after the 12 cabins and the bridge are purchased and installed.

<b>Table 3</b>						
<b>Long Term (6 years and beyond) Business Plan</b>						
<b>Camp French</b>						
	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	Totals
<b>Operating Revenues</b>						
Event Center	\$90,750	\$90,750	\$90,750	\$90,750	\$90,750	\$453,750
Camping	\$148,848	\$148,848	\$148,848	\$148,848	\$148,848	\$744,240
Cabins	\$108,270	\$108,270	\$108,270	\$108,270	\$108,270	\$541,350
<b>Total Revenues</b>	<b>\$347,868</b>	<b>\$347,868</b>	<b>\$347,868</b>	<b>\$347,868</b>	<b>\$347,868</b>	<b>\$1,739,340</b>
<b>Operating Expenses</b>						
Building Maintenance/Supplies	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$75,000
Gas	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000
Electricity	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000
Water & Sewer	\$8,500	\$8,500	\$8,500	\$8,500	\$8,500	\$42,500
Seasonal staff	\$14,400	\$14,400	\$14,400	\$14,400	\$14,400	\$72,000
Ranger staff	\$23,810	\$23,810	\$23,810	\$23,810	\$23,810	\$119,050
Camp Hosts	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$81,710</b>	<b>\$81,710</b>	<b>\$81,710</b>	<b>\$81,710</b>	<b>\$81,710</b>	<b>\$408,550</b>
<b>Gross Profit</b>	<b>\$266,158</b>	<b>\$266,158</b>	<b>\$266,158</b>	<b>\$266,158</b>	<b>\$266,158</b>	<b>\$1,330,790</b>
<b>Infrastructure Improvement</b>	\$455,000	\$0	\$0	\$0	\$0	\$455,000
<b>Net</b>	<b>(\$188,842)</b>	<b>\$266,158</b>	<b>\$266,158</b>	<b>\$266,158</b>	<b>\$266,158</b>	<b>\$875,790</b>

Infrastructure:

The long term plan for the operation of Camp French includes additional infrastructure investment that will add to the desirability to rent the property, and in turn, increase the bottom line revenue for the Camp. These improvements would be funded through revenues achieved from years 1-5 that will be placed in the Lopez Lake Project Reserves. Improvements include upgrades such as a vehicular bridge over the seasonal creek and the addition of 12 cabin structures to be used as rentals.

Currently access to the event center and other portions of the site aren't possible from Lopez Lake Campground during wet months and can only occur from Lopez Canyon Road during those times of year when the creek rises. A bridge could be installed over the existing seasonal creek that will then allow year around access to all portions of the site from Lopez Lake Campground. Representatives of a bridge-

building firm note that a turnkey bridge installation of this size is approximately \$95,000 and is included in the FY 2018-19 Infrastructure improvements.

Other infrastructure improvements would include the addition of 12 cabins installed in the existing large flat area of Camp French. This area already has electrical and potable water in place. It is close to the waste water main line. The cost for the cabins and related installation is approximately \$360,000 and will be phased in over a 4 year period.

**Lopez Lake Recreation Area Infrastructure Condition Assessment**

While staff has not completed a comprehensive infrastructure assessment for Lopez Lake or the County Park system as a whole, staff does have a lengthy list of deferred maintenance projects for all park districts. Table 4 lists the Lopez Lake Deferred Maintenance Projects. This list notes an estimated \$260,200 is needed to complete deferred maintenance projects. Listed projects are important but not at a critical level at this time. These projects are planned to be completed in future years once projects already in progress are completed allowing staff to provide appropriate attention to the tasks.

Additional capital projects have been proposed in the past to help generate additional revenue. These projects include upgrades to rustic campgrounds to provide additional full hook-up campsites. However, such projects are optional and will be pursued as funds become available.

**Table 4**

<b><i>Lopez Lake Deferred Maintenance Projects Updated 8/14/13</i></b>	<b>Description</b>	<b>Cost Estimate</b>
<i>Paving in the park/road repair</i>	Deferred Maintenance - roads degrading	\$125,000
<i>Rebuild 7 Pressure Reduction Valves in full hookups</i>	Deferred Maintenance - avoid costly emergency repair/overdue maintenance.	\$7,200
<i>LL Waste Water Treatment Plant</i>	Deferred Maintenance - protect and prolong life of equipment. Engineer’s Report due 11/2013	\$50,000
<i>Replace roofs Buck &amp; Toro restrooms w/ skylights</i>	Deferred Maintenance - replace rotting wood shake roof	\$12,000
<i>Replace two urinal troughs in park restrooms</i>	Deferred Maintenance – Worn Surfaces	\$50,000
<i>Install pressure reducer at Mustang</i>	Deferred Maintenance - water pressure is too high	\$10,000
<i>Replace 3 Group area BBQ 's</i>	Deferred Maintenance - circular drums have holes	\$6,000
	<b>Total Estimated Cost</b>	<b>\$260,200</b>

**Legal Steps to Transfer the Camp**

Staff is in discussion with County Counsel regarding the option to take this recommendation to the County Board of Supervisors in closed session to gain direction. Depending on Counsel’s direction, should the Board approves GSA-County Parks operating Camp French, the next step would be to amend the current Lease. BSA Los Padres Council has approved an amendment to this Lease to allow BSA to terminate the Lease with sixty-day (60) written notice to the County. The District would also need to approve this amendment for this change to take effect. The Lease retains language providing thirty-year time period should the District decide to terminate the Lease.

GSA-County Parks currently operates the Lopez Lake Recreation Area (LLRA) through an MOU with the District. This MOU could be amended to provide that County Parks would include the Camp within the

LLRA and operate it as the LLRA is operated if BSA actually provides a written termination notice within one-year of the signing of the BSA Lease modifications.

The first action can be accomplished through a public meeting with the District board, Zone 3 for recommendation(s). The next meeting is scheduled for November 21, 2013. The second action would also be reviewed for recommendation(s) by the Parks and Recreation Commission at their meeting scheduled for December 12, 2013. Final approval would be provided by the Board of Supervisors sitting as the Board for the District in January 2014. Language to accomplish this has been reviewed by County Counsel.

### **BSA Interests**

The BSA, Los Padres Council has noted a number of interests for County consideration, should the County eventually operate the Camp. They are as follows:

*Retain the name of Camp Mabel French and related facilities.*

County Parks sees this interest as consistent with existing practices that name facilities consistent with historical, natural, regional or cultural importance. The Camp has had the official name Camp Mabel French as it was named after the wife of the couple that was instrumental in establishing the Camp in the early 1960's. Other facilities such as the Eagle Walk are also consistent with current practice.

*Use by youth-focused non-profit groups should be encouraged through some sort of priority enhancement and/or fee reduction.*

County Parks sees the need for youth-oriented community non-profit groups to provide camping experiences for our youth. This is consistent with our Mission to provide diverse recreational opportunities for residents and visitors of the County. County Parks would support a percentage discount for San Luis Obispo County, youth oriented non-profit (501 c-3) organizations as approved by the Board of Supervisors during the annual Fee Resolution process. It is anticipated that the impact to the Camp French camping revenue for discounting the youth oriented non-profit groups would be approximately \$5K- \$6K annually. Additionally reservations priorities could be established. However, the newly implemented reservations system will allow all groups to place reservations one-year in advance. Some reservations will likely already be in place by BSA if County Parks assumes operations. Those reservations would be youth oriented groups and would be honored. Each organization could place their next year's reservation on the first day of their existing reservation. The strong likelihood is that these existing use patterns will continue and be supported by the new system.

*The history of BSA construction and maintenance of the Camp should be retained.*

County Parks sees this is consistent with our Mission that also states we are to protect natural, cultural and historic resources. The history of BSA and Scouting at the Camp should be retained and contained in interpretive exhibits that could be constructed through "Eagle Scout" projects.

County Parks would pursue efforts to educate all visitors of the history of the region from indigenous populations to current uses. The important BSA plaques and memorabilia should be incorporated into displays that could be enjoyed by all visitors.

### **Ten-Year Financial Summary**

No loans or General Fund investments are required for operations on a short or long term basis for infrastructure and capital work. The ten-year financial summary in Table 5 below provides the estimated ten year projection of gross profit, the Camp French infrastructure expenditures and contributions subtotal and the Lopez Lake Projects Reserves (LLPR) balance. It is important to note the LLPR balance currently has \$250,000 in the fund and is shown to grow each year by the remaining subtotal once the infrastructure expenditures have been subtracted from the Gross Profit shown below. The subtotal amount is added to the existing LLPR balance of \$250,000 in year one and grows thereafter totaling

\$1,688,349 over the ten year period. Beginning in year six the long term capital/infrastructure improvements (the bridge and 12 cabins) totaling \$455,000 shown under Camp French Expenditures are financed by revenues realized above expenditures in years one through five.

**Table 5**

<b>Camp French 10 - Year Financial Summary</b>												
<b>OPERATIONS</b>												
	Projected FY 2013-14	Projected FY 2014-15	Projected FY 2015-16	Projected FY 2016-17	Projected FY 2017-18	Projected FY 2018-19	Projected FY 2019-20	Projected FY 2020-21	Projected FY 2021-22	Projected FY 2022-23	Projected	
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Totals	
Revenue	\$94,101	\$188,202	\$188,202	\$188,202	\$188,202	\$347,868	\$347,868	\$347,868	\$347,868	\$347,868	\$2,586,249	
Operating Expenses	(\$22,650)	(\$45,300)	(\$45,300)	(\$45,300)	(\$45,300)	(\$81,710)	(\$81,710)	(\$81,710)	(\$81,710)	(\$81,710)	(\$612,400)	
Gross Profit	\$71,451	\$142,902	\$142,902	\$142,902	\$142,902	\$266,158	\$266,158	\$266,158	\$266,158	\$266,158	\$1,973,849	
<b>INFRASTRUCTURE</b>												
	Projected FY 2013-14	Projected FY 2014-15	Projected FY 2015-16	Projected FY 2016-17	Projected FY 2017-18	Projected FY 2018-19	Projected FY 2019-20	Projected FY 2020-21	Projected FY 2021-22	Projected FY 2022-23	Projected	
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Totals	
Camp French Contrib	\$71,451	\$142,902	\$142,902	\$142,902	\$142,902	\$266,158	\$266,158	\$266,158	\$266,158	\$266,158	\$1,973,849	
Camp French Expend	(\$51,000)	(\$5,500)	(\$4,500)	(\$11,500)	(\$8,000)	(\$455,000)	\$0	\$0	\$0	\$0	(\$535,500)	
Sub Total	\$20,451	\$137,402	\$138,402	\$131,402	\$134,902	(\$188,842)	\$266,158	\$266,158	\$266,158	\$266,158	\$1,438,349	
<b>LOPEZ LAKE PROJECT RESERVE (LLPR)</b>												
	Beginning	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Totals
LLPR Balance	\$250,000	\$270,451	\$407,853	\$546,255	\$677,657	\$812,559	\$623,717	\$889,875	\$1,156,033	\$1,422,191	\$1,688,349	\$1,688,349

The subtotal of revenue received, expenditures and planned infrastructure improvements over the ten year period is estimated to be \$1,438,349. This amount will be added to the existing LLPR balance of \$250,000 and is estimated to grow to \$1,688,349 over the ten year period. All infrastructure improvements and operational funding needed to operate the Camp French Facility would be received from the revenue generated and collected from the facility itself with no general fund or operating fund subsidies required for improvements or operations.

Staff recommends that the County pursue legal steps noted above to transfer operations and maintenance of the Camp to County Parks if and when BSA provides notice of termination of their current Lease with the District.