

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

| | | | |
|---|---|--|----------------------|
| (1) DEPARTMENT General Services Agency | (2) MEETING DATE 1/14/2014 | (3) CONTACT/PHONE Curtis Black, Deputy Director, GSA- County Parks (805) 781-5204 | |
| (4) SUBJECT Request to approve Amendment No. 1 to the Operating Agreement between San Luis Obispo County Flood Control and Water Conservation District, and GSA-County Parks, dated June 3, 2008 to enable the inclusion of Camp Mabel French within County Parks' operations of the Lopez Lake Recreation Area effective through December 31, 2014, should the Boy Scouts of America choose to terminate their lease. District 4. | | | |
| (5) RECOMMENDED ACTION It is recommended that the Board: 1. Sit as the Governing Board of the San Luis Obispo Flood Control and Water Conservation District and approve Amendment No. 1 to the Operating Agreement between the San Luis Obispo County Flood Control and Water Conservation District and GSA-County Parks, dated June 3, 2008 to include Camp Mabel French within GSA-County Parks' operations of the Lopez Lake Recreation Area effective through December 31, 2014, should the Boy Scouts of America choose to terminate their lease. 2. Sit as the Board of Supervisors for the County of San Luis Obispo and approve Amendment No. 1 to the Operating Agreement between the San Luis Obispo County Flood Control and Water Conservation District and GSA-County Parks dated June 3, 2008 to include Camp Mabel French within GSA- County Parks' operations of the Lopez Lake Recreation Area effective through December 31, 2014, should the Boy Scouts of America choose to terminate their lease. | | | |
| (6) FUNDING SOURCE(S) n/a | (7) CURRENT YEAR FINANCIAL IMPACT \$0.00 | (8) ANNUAL FINANCIAL IMPACT \$0.00 | (9) BUDGETED? N/A |
| (10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input checked="" type="checkbox"/> Board Business (Time Est. <u>15 min.</u>) | | | |
| (11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A | | | |
| (12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) n/a | | (13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: n/a <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A | |
| (14) LOCATION MAP Attached | (15) BUSINESS IMPACT STATEMENT? No | (16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: <u>June 3, 2008</u> | |
| (17) ADMINISTRATIVE OFFICE REVIEW Emily Jackson | | | |
| (18) SUPERVISOR DISTRICT(S) - District 4 | | | |

County of San Luis Obispo



TO: Board of Supervisors

FROM: General Services Agency / Curtis Black, Deputy Director Parks

DATE: 1/14/2014

SUBJECT: Request to approve Amendment No. 1 to the Operating Agreement between San Luis Obispo County Flood Control and Water Conservation District, and GSA-County Parks, dated June 3, 2008 to enable the inclusion of Camp Mabel French within GSA-County Parks' operations of the Lopez Lake Recreation Area effective through December 31, 2014, should the Boy Scouts of America choose to terminate their lease agreement. District 4.

RECOMMENDATION

It is recommended that the Board:

1. Sit as the Governing Board of the San Luis Obispo Flood Control and Water Conservation District and approve Amendment No. 1 to the Operating Agreement between the San Luis Obispo County Flood Control and Water Conservation District and GSA-County Parks, dated June 3, 2008 to include Camp Mabel French within GSA-County Parks' operations of the Lopez Lake Recreation Area effective through December 31, 2014, should the Boy Scouts of America choose to terminate their lease.
2. Sit as the Board of Supervisors for the County of San Luis Obispo and approve Amendment No. 1 to the Operating Agreement between the San Luis Obispo County Flood Control and Water Conservation District and GSA-County Parks dated June 3, 2008 to include Camp Mabel French within GSA-County Parks' operations of the Lopez Lake Recreation Area effective through December 31, 2014, should the Boy Scouts of America choose to terminate their lease.

DISCUSSION

Boy Scouts of America, Santa Lucia Area Council, subsequently absorbed into the Los Padres Council (BSA) have operated Camp Mabel French (Camp) which is located inside the boundaries of the Lopez Lake Recreation Area (LLRA) adjacent to the County Campgrounds through a Lease Agreement (Lease) with the San Luis Obispo County Flood Control and Water Conservation District (District) since 1973. Throughout this period BSA has provided campgrounds, restroom facilities with showers, a clubhouse with mess hall, special trails and fire rings for large and small groups of youths including BSA and other youth groups. Their focus has been to provide camping experiences and outdoor training, active exercise and special recreation such as archery instruction and facilities for other groups such as YMCA, Girl Scouts, church youth groups and other youth and adult groups. Recently BSA leadership contacted Public Works and GSA-County Parks requesting to discuss plans for their potential exit from management and operations of the Camp.

This request was made due to the inability of BSA to operate the Camp within revenues generated by Camp operations. This has resulted in several consecutive years of operating losses that have required BSA to use funds planned for other purposes to close the funding gap for the Camp. As BSA leadership made this known to their various scout troops and local leaders, a fund-raising team was formed with a goal of raising adequate funds to keep the Camp under BSA operations for 2014. That fund raising effort was not successful. Subsequently, in August 2013 a yet to be formed non-profit group to be known as "Friends of Camp French" contacted GSA-County Parks with the desire to take over operations of the Camp if BSA terminated the Lease. GSA-County Parks and Public Works provided this group information regarding the Camp, various options for their actions and some limitations for actions that the District would have in choosing a future Camp operator. The group has not responded to the County since August. Although BSA leadership made the dates and times of the public meetings known to all of their local leadership, representatives of the "Friends of Camp French" did not attend the District, Zone 3 public meeting or the Parks and Recreation Commission

public meeting on this topic. To date BSA has not terminated the Lease and continues to operate the Camp.

GSA-County Parks and the Public Works Department has examined ways and means of continuing to provide Camp services should BSA terminate the Lease. There are three options for action:

1. The District could operate the Camp through selecting a new operator with a Request for Proposals process.
2. The District could allow the property to close and no longer be available for public use.
3. The District could allow GSA-County Parks to operate the Camp in similar fashion as they have operated the other recreation and utility facilities within the LLRA. (Recommended option)

Option 1: The District could operate the Camp through selecting a new operator with a Request for Proposals process.

This option could be considered but has not been pursued by the District previously. The District was established in 1945 with the purpose "to provide for control, disposition and distribution of the flood and storm waters of the district and of streams flowing into the district..." In 1968, Resolution No. 68-223 was adopted and defined the policy role of the District relating to the costs of planning, design, construction, operations and maintenance of drainage and flood control facilities. As outlined in the resolution, recreation services are not a core function of the District.

Recreational services fall within the mission of GSA-County Parks as its mission is "to provide diverse opportunities for recreation and the personal enrichment of the county's residents and visitors while protecting its natural, cultural and historic resources." This option would not meet the purpose of the District.

Option 2: The District could allow the property to close and no longer available for public use.

This option would not provide the active recreational opportunities that residents and visitors have enjoyed for many decades. Closing the Camp would not allow BSA, Girl Scouts or other youth or adult groups to make use of the Camp's special large group camping areas, large fire rings, special hiking trails (Walk of Eagles, etc.), multiple restrooms buildings with showers or the clubhouse and mess hall. Instruction for special recreation such as archery and air rifle safety training are not available at any other County facilities, nor are the advantages of the large meeting room and full service kitchen available at the Camp for food service to hundreds of youth that have used the Camp. This option would not protect the existing, valuable recreational resources or help to meet the Board's goals of providing a healthy and livable community. The existing Camp facilities would decline over time and eventually would be a liability to the District.

Option 3: The District could allow GSA-County Parks to operate the Camp in similar fashion as they have operated the other recreation and utility facilities within the LLRA. (Recommended option)

This option is recommended by both GSA-County Parks and Public Works as the most viable long term solution for the ongoing operation of the Camp. If the amendment before the Board is approved today, and if BSA chooses to terminate their existing Lease, GSA-County Parks would provide near immediate operation of the Camp.

The Camp operations objective of GSA-County Parks would be to efficiently serve customers through realigning some of the existing group camping areas into smaller camping areas and retaining several large group camping areas as well. 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. In this manner, more diverse recreational opportunities could be provided while maintaining the historic recreational opportunities.

An amendment to the current Operating Agreement between the District and GSA-County Parks is needed to accomplish this change in operations and management if and when BSA terminates the Lease. This amendment would add the approximate 100 Camp acres to the 4,276 acres (200 acres active and 4,076 natural area) currently maintained by GSA-County Parks for public recreation within the LLRA. This amendment would be valid until December 31, 2014 and would only be placed into effect if BSA terminates their Lease. According to a separate item before the Board today from Public Works to amend the District and BSA Lease, if BSA terminates their Lease, GSA-County Parks would have 60 days in which to assume operational responsibility for the Camp.

If BSA requests termination after December 31, 2014 the amendment would be null and void. In that event, GSA-County Parks would likely pursue a similar amendment to that being considered today; however, delays in creating new reports for consideration at District Advisory Committee - Zone 3, Parks and Recreation Commission and Board of Supervisors would exceed the sixty-day BSA termination clause and likely would cause a temporary lapse in recreation services at

the Camp.

The Board of Supervisors, acting as the Flood Control and Water Conservation District Board, must approve this amendment for the District to affect the operations transfer. The Board of Supervisors must also approve this amendment for GSA-County Parks to affect the operations transfer.

Per the related item from Public Works today, should BSA terminate their Lease, GSA-County Parks would have 60 days to make necessary changes to the Camp and modify the on-line reservations system to include the Camp facilities. GSA-County Parks' staff has closely examined the existing Camp facilities and has prepared an assessment with projections for potential revenues, initially required infrastructure projects and operating expenses as noted in Table 1 (below, in Financial Considerations). Startup infrastructure costs (noted in Table 1 as \$51,000) would prepare restrooms and reservations systems for Camp operations. Upon notification of BSA terminating their Lease, GSA-County Parks would seek Board action(s) to request \$51,000 funding from the current undesignated balance \$250,000 of Lopez Lake Project Reserves (LLPR) to complete those projects identified as being necessary for the first year of Camp operations. Based upon historical BSA revenues adjusted for typical GSA-County Parks' visitor participation and special use figures, revenues are projected to exceed expenses annually. This will provide funds to restore and grow the LLPR for future infrastructure and capital projects.

The Camp would not be operated as a separate unit, but would be included with all other parks and facilities budgeted within the Parks enterprise fund. While taking operational responsibility for the Camp would impact Parks' budget, it should be noted that the recreational opportunities that will be provided at the Camp are the ones that have historically generated revenue to support other parks within the County Parks system that do not generate revenue. Should operating revenues at the Camp fail to achieve planned amounts, GSA-County Parks' management would adjust planned expenditures and projected investments as has been done previously for other parks and camp grounds within the County Parks system (this may include extending replacement cycles for large equipment and vehicle replacements and deferring maintenance projects). These adjustments would be made in timely fashion to avoid any negative impacts to the County General Fund. Typical options for adjustments might include altering available services or seasons of service availability to expand revenues and/or reduce costs. GSA-County Parks would reduce expenses until we meet available revenues

Should termination of the BSA Lease occur, BSA remains interested in several key areas including:

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

GSA-County Parks sees this interest aligned 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. Names of other facilities such as the Eagle Walk are also consistent with current practice and would remain in place.

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

GSA-County Parks sees the need for youth-oriented community non-profit groups (501c3) to continue providing camping experiences for our youth at the Camp. There are no similar facilities within the current County Park system. Historically, all youth oriented non-profit groups, not just BSA groups, have enjoyed the Camp without paying full market fees. Through expenditure savings as noted above, GSA-County Parks can afford to provide discounted youth-oriented nonprofit groups camping experiences at Camp Mabel French at decreased costs.

Providing discounted rates for certain types of organizations is consistent with Parks' mission to provide diverse recreational opportunities for residents and visitors of the County. GSA-County Parks would support a promotional percentage discount for San Luis Obispo County youth oriented non-profit (501c3) organizations for this Camp. A discounted rate for youth groups could be considered by the Board of Supervisors during the annual Fee Hearing process. Prior to Board action on this, GSA-County Parks could provide a promotional 20% discount for all youth oriented non-profit (501c3) organizations at the Camp. This 20% discount was supported by the District Advisory Committee, Zone 3 when it reviewed this topic on November 21, 2013 and also by the Parks and Recreation Commission on December 12, 2013. The Board of Supervisors may approve an amount different than this promotional amount each year when changes to the County's Fee Schedule are considered during the annual budget cycle.

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

GSA-County Parks sees this as being consistent with our mission that 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. GSA-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 could be incorporated into displays that could be enjoyed by all visitors.

OTHER AGENCY INVOLVMENT/IMPACT

On June 20, 2013, Boy Scouts of America, Los Padres Council Executive Committee requested GSA-County Park's assistance to create an exit strategy to place Camp French operations with GSA-County Parks. GSA-County Parks, Real Property Services, Public Works and County Counsel worked collaboratively with BSA in order to develop an appropriate exit strategy for BSA.

On November 21, 2013 the District Advisory Committee, Zone 3 endorsed this amendment and also recommended that Camp French fees be discounted by 20% for all youth oriented Non Profit (501c3) organizations. On December 12, 2013, the San Luis Obispo County Parks and Recreation Commission recommended that the Board approve this amendment and also recommended that Camp French fees be discounted by 20% for all youth oriented Non Profit 501 (c3) organizations.

FINANCIAL CONSIDERATIONS

Approval of the Amendment to the District and GSA-County Parks Operating Agreement for Lopez Lake Recreation Area will have no financial impacts until, or if BSA determines to terminate their Lease agreement with the District. If termination occurs as anticipated and GSA-County Parks operates the Camp, there will be a financial impact to Parks' operating budget. As noted above, GSA-County Parks staff has estimated what revenues and expenditures at Camp French might look like in the first five years, shown in Table 1, below:

Table #1

| Camp French – 5 Year Financial Summary | | | | | | |
|---|-----------------|------------------|------------------|------------------|------------------|------------------|
| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Totals |
| Operating Revenues | | | | | | |
| 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 |
| Total Revenues | \$94,101 | \$188,202 | \$188,202 | \$188,202 | \$188,202 | \$846,909 |
| Operating Expenses | | | | | | |
| 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 |
| Total Expenses | \$22,650 | \$45,300 | \$45,300 | \$45,300 | \$45,300 | \$203,850 |
| Gross Profit | \$71,451 | \$142,902 | \$142,902 | \$142,902 | \$142,902 | \$643,059 |
| Infrastructure Costs | \$51,000 | \$5,500 | \$4,500 | \$11,500 | \$8,000 | \$80,500 |
| Net Profit | \$20,451 | \$137,402 | \$138,402 | \$131,402 | \$134,902 | \$562,559 |

Revenues in Table 1 are based upon historical BSA revenues adjusted for similar GSA-County Parks' visitor participation while adjusting for the likely 20% promotional reduction for youth oriented nonprofit (501c3) groups.

Operating Expenses are based on BSA experience for materials, maintenance and utilities; and adjusted to levels experienced by GSA-County Parks. Staffing costs are based on current GSA-County Park's staffing levels. No new permanent staff would be required to operate the Camp. Two new Camp Hosts would be located at the Camp, and it is anticipated that 550 – 600 additional seasonal staff hours would be required.

In all five years Net annual revenues are projected to exceed expenses with no impact to the General Fund.

Upon notification of BSA terminating their Lease, GSA-County Parks would seek Board action to request \$51,000 funding from the current \$250,000 balance of Lopez Lake Project Reserves (LLPR) to prepare restrooms and the GSA-County Parks reservation systems for Camp operations and complete projects necessary for the first year of Camp operations.

Camp operations would be included in the future GSA-County Parks operating budgets and would continue to be approved by the Board of Supervisors, during annual budget hearings.

GSA-County Park's experience is that the types of facilities contained in the Camp will attract additional revenues to the LLRA. Further, operating costs would be below what BSA had experienced as GSA-County Parks already has many necessary, fixed costs, including Camp Hosts, patrol, office, and administrative staff in place for the LLRA. Finally, GSA-County Parks has invested in marketing and promotions to attract increasing numbers of visitors and has an automated reservations system to assist user groups.

The District Advisory Committee, Zone 3 and the Parks and Recreation Commission recommended that Camp French fees be discounted by 20% for all youth oriented nonprofit (501c3) organizations. GSA-County Parks is committed to providing this discount. However, because the date of BSA Lease termination is unknown, it is premature to amend the current Fee Schedule that went into effect on January 1, 2014. If and when GSA-County Parks operates the Camp, the recommended discount would be provided as a promotional discount for the Camp. GSA-County Parks would include such discount for Board consideration during the first fee schedule hearings following a transfer of operational responsibility.

RESULTS

Thousands of recreational hours are enjoyed by hundreds of children and adults each year at Camp Mabel French. Approval of the Amendment would ensure a smooth transition and continuance of services at the Camp if the Boy Scouts of America decide to terminate their Lease on or before December 31, 2014.

Continuing to provide these services is consistent with the GSA-County Park's mission of providing diverse opportunities for recreation and the personal enrichment of the County's residents and visitors while protecting its natural, cultural and historic resources. Continuing to provide these recreational services also supports the Board's goals of providing a healthy and livable community.

ATTACHMENTS

1. Camp Mabel French & LLRA Site Map
2. Amendment to Operating Agreement with District and County Parks for LLRA