

# **Highland Lakes Marina Ordinance**

## **Summary of Recommended Revisions**



**Water Operations Committee Meeting**

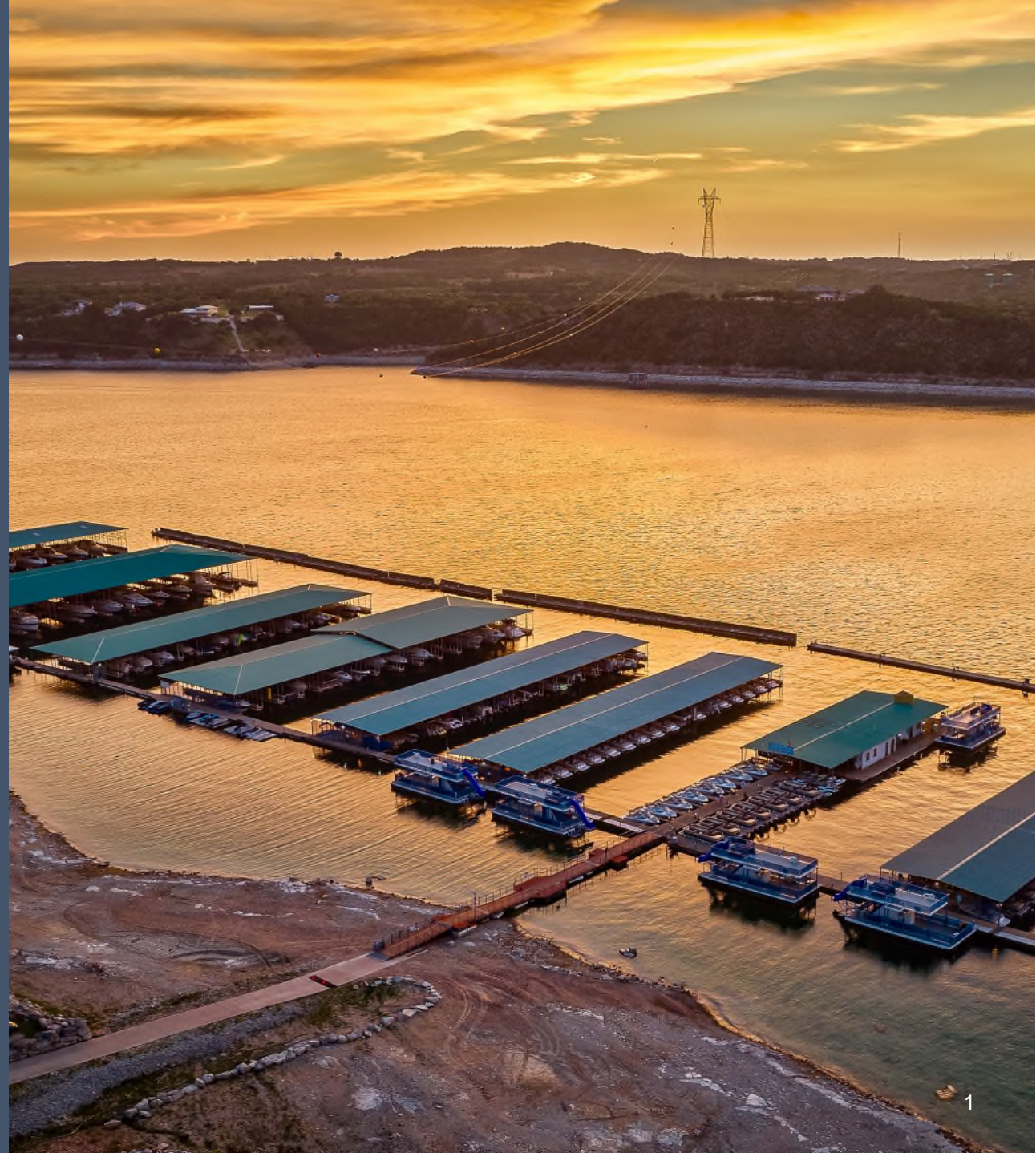
**May 23, 2023**



# Highland Lakes Marina Ordinance

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- Originally established in 1984
- Last updated in 2011
- 147 permitted marinas on the Highland Lakes



# **Activities Since our Last Update**

- **Completed an overhaul of the ordinance**
- **Updated the fee schedule**
- **Posted proposed updates for review and comment in March 2023**
- **Held a public comment meeting on March 15**
- **Evaluated public comments**
- **Redrafted the proposed ordinance and fee schedule**
- **Prepared recommendations for Board consideration**

# **Summary of Proposed Amendments**

- **Revise community marina regulations**
- **Replace unencapsulated flotation material**
- **Update fee schedule**
- **Update processes related to permit applications and amendments, public engagement, and appeals**
- **Revise/exempt certain location, configuration and setback requirements**
- **Update definitions, including for residential docks**
- **Increase minimum limits of liability insurance for marinas**
- **Reformat ordinance**

# Summary of Comments Received

- **Community marina regulations**
  - Too restrictive on existing community marinas
- **Encapsulated flotation material**
  - Timeline to replace is too short
- **Updated fee schedule**
  - Proposed increase too soon
- **Other comments**

# Summary of Proposed Amendments

- **Community marinas**
  - No new community marinas will be permitted
  - Existing community marinas allowed to expand as they could under the existing ordinance
  - Subject to application and other fees
  - Not subject to annual permit fees (no change from existing ordinance)

# Summary of Proposed Amendments (Continued)

- **Replacement of unencapsulated flotation**
  - Establish a two-year timeline for replacement
  - Allow for the execution of an unencapsulated flotation replacement plan
  - Require replacement of flotation material that is:
    - More than 25% degraded
    - Not providing enough buoyancy

# Summary of Proposed Amendments (Continued)

- **Annual permit fees**

- Fees will increase from \$0.08 per square-foot to \$0.14 per sq-ft for the first 10,000 sq-ft
- Fees will increase from \$0.23 per sq-ft to \$0.38 per sq-ft for square footage greater than 10,000 sq-ft
- Fees will be phased in on the following schedule:
  - Half of the rate increase beginning in January 2024
  - Remainder of the rate increase beginning in January 2025
- Residential and community marinas are not subject to annual permit fees



# Summary of Proposed Amendments (Continued)

- **Other changes related to fees**

- Charge marinas the same permit application minimum filing fee
- Charge residential and community marinas application and other fees (not subject to annual permit fees)
- Separate the fee schedule from the ordinance
- Update refund information to standard used by other water regulatory programs

# **HLMO Rate Development**

- **Develop a methodology for assigning annual budget to three primary programs**
  - Highland Lakes Marina Ordinance
  - Residential Dock Safety Standards
  - Buoy and navigation management
- **Develop rates that recover the full cost of service of the HLMO program**
  - Current rates recover only a portion of program costs
  - Remainder is supplemented by other LCRA funds

# **HLMO Rate Development (Continued)**

- **Used fiscal year 2026 as the test year for computing the rate**
  - Due to the step-in recommendation for the rates, FY 2026 is the first year the full rate will be in place
- **Cost to recover includes**
  - FY 2026 budget for the marina program
  - One-third of FY 2026 budget for buoy and navigation management program

# Allocation of Water Surface Management Budget to Three Core Programs

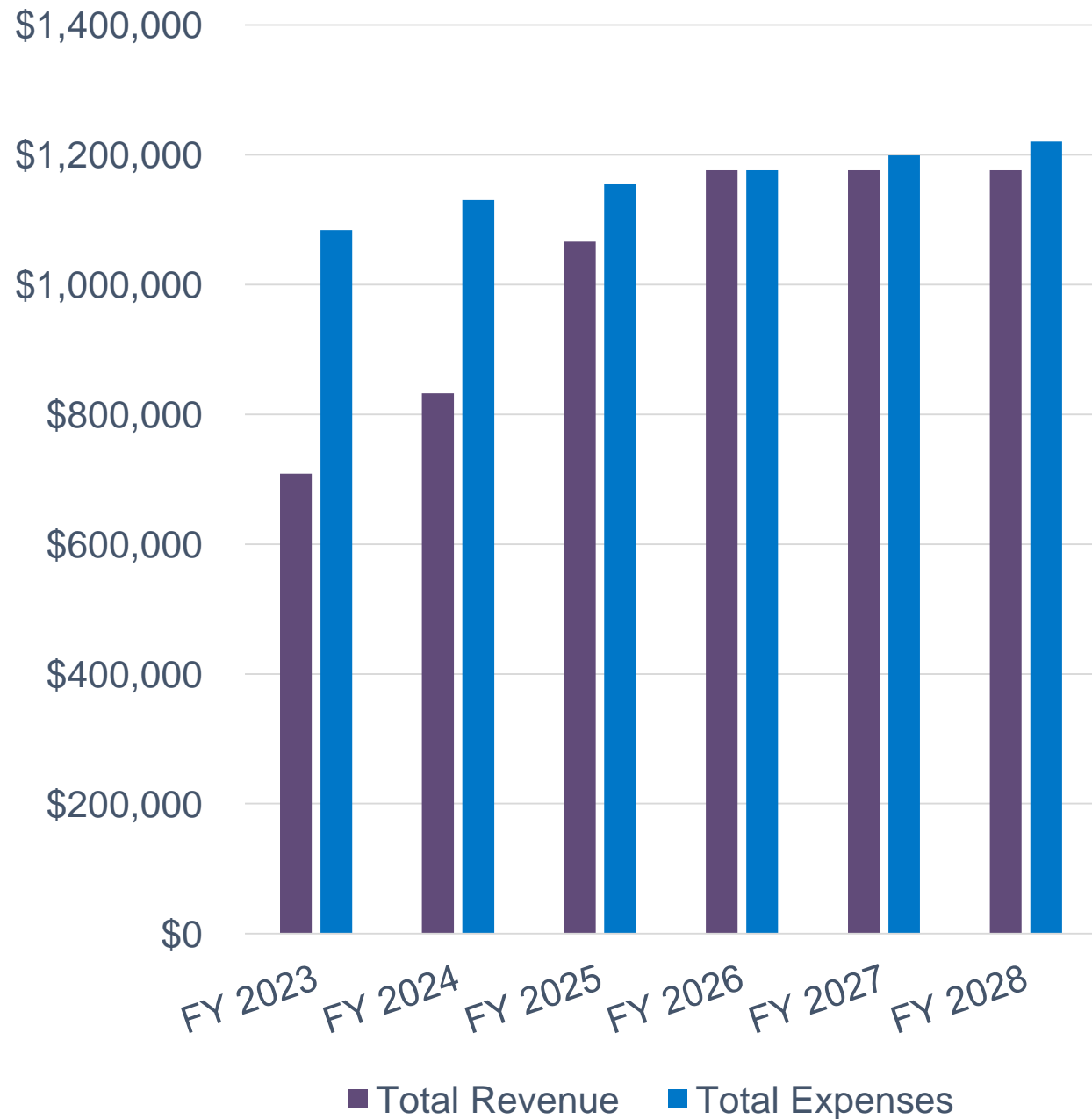
(Dollars in thousands)	Total Water Surface Management Costs – FY 2026 Budget	Allocated to HLMO		Allocated to Residential Dock		Allocated to Buoy/Navigation	
		Amount	Percent	Amount	Percent	Amount	Percent
Labor	\$1,367.1	\$715.4	52.3%	\$293.2	21.5%	\$358.5	26.2%
Materials and transportation	\$73	\$24.9	34.1%	\$24.9	34.1%	\$23.2	31.8%
Outside services	\$75	\$30	40%	\$30	40%	\$15	20%
Computer equipment, employee expense, utilities and other expense	\$18.4	\$9.6	52.3%	\$4	21.5%	\$4.8	26.2%
Assigned enterprise expense	\$429.6	\$224.8	52.3%	\$92.1	21.5%	\$112.7	26.2%
<b>Totals</b>	<b>\$1,963.1</b>	<b>\$1,004.7</b>		<b>\$444.2</b>		<b>\$514.2</b>	

# Highland Lakes Marina Ordinance FY 2026 Budget For Rate Making

- Boat traffic on the lakes originate from marinas, private docks and public boat ramps
- Buoy and navigational management provide navigation and safety aids to all lake users
- Marinas benefit from this service; include one-third of buoy/navigation budget in computation for marinas
- Total budget to recover in FY 2026 is about \$1.18 million

(Dollars in thousands)	HLMO Budget	One-Third Buoy/ Navigation Budget	Total Allocated to HLMO
Labor	\$715.4	\$119.5	\$834.9
Materials and transportation	\$24.9	\$7.7	\$32.6
Outside services	\$30	\$5	\$35
Computer equipment, employee expense, utilities and other expense	\$9.6	\$1.6	\$11.2
Assigned enterprise expense	\$224.8	\$37.6	\$262.4
<b>Totals</b>	<b>\$1,004.7</b>	<b>\$171.4</b>	<b>\$1,176.1</b>

## HLMO Program Proposed Rate Increase Impacts



# New Rate Impacts

- Rate increase phased in between January 2024 and January 2025
- Use FY 2026 to develop the rate
- FY 2026 will be the first LCRA fiscal year with the new rate

# Next Steps

- **Agenda item tomorrow will request approval for:**
  - Revised Highland Lakes Marina Ordinance
  - Changes to the HLMO fee schedule
  - Conforming changes to the Safety Standards for Residential Docks
  - Repeal of the moratorium on processing new community marina applications
  - All effective May 24



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