

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	13079	Agenda Number	28.
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Meeting Date:	March 1, 2012
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Department:	Purchasing
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Subject

Authorize execution of a revenue concession contract with AUSTIN ROWING CLUB for the management and operation of a boathouse on Lady Bird Lake.

Amount and Source of Funding

The revenue will begin in year 2 of the initial term and continue thereafter.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Sole Proposal remaining.
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Prior Council Action:	On November 10, 2011 Council authorized negotiation of a revenue concession contract with Austin Rowing Club.
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For More Information:	Cynthia Gonzales, Contract Manager /974-1905
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Boards and Commission Action:	Reviewed by the Parks and Recreation Board.
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MBE / WBE:	This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.
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Related Items:	
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Additional Backup Information

The Boathouse at Waller Creek on Lady Bird Lake is a component of the City of Austin's Waller Creek Tunnel Project. The City's Purchasing Department is seeking authorization to execute a contract for the management and operation of the Boathouse on Lady Bird Lake for the Parks and Recreation Department. The projected occupancy available date for the Boathouse located at 74 Trinity is March 2012. The new construction will include a commercial driveway; 330 linear feet of access road; 400 square feet of parking area and sidewalks; construction of one two-story building with an approximate gross floor area of 10,800sf and a building foot print of 6,900sf (including electrical, structural, utility and mechanical systems); associated site improvements and landscaping; and construction and installation of two pier supported docks and three floating docks and appurtenances will be the anchor for this project.

RFP No. CB30017 was issued on March 15, 2010 seeking an experienced contractor to manage and operate the Boathouse at Waller Creek on Lady Bird Lake. The process used in the selection of a contractor to manage the Boathouse was conducted in accordance with City Code § 8-1-71. Two proposals were received by the City; only one proposer remains qualified.

As reflected in the Austin Rowing Club (ARC) proposal, ARC will provide management services and equipment necessary for operating, maintenance and repair of the Boathouse at Waller Creek. ARC will provide expanded rowing programs, kayaking, stand up paddle boarding, dragon boating, cycling and a Café bringing coffee, food and beverage services to park users. Other activities include special events and meeting space rental and use, educational and social programming and events, and exercise concession services such as yoga. Programs and services will benefit the general public at large, disabled citizens, youth and seniors. ARC will also provide subcontracting opportunities for other concession activities. ARC will bring an initial capital investment of \$240,680 and program specific equipment exceeding \$870,000. ARC will continue to host its 3 nationally recognized rowing events annually and will host dozens of visiting crews from cold weather regions during the winter.

Austin Rowing Club has committed to:

- Underserved Youth Programming – Up to \$40,000 value in programming per year that can be provided by Austin Rowing Club or any boathouse partner for a total estimated \$280,000; Austin Rowing Club or boathouse partner organizes the programming with the Parks and Recreation Center (PARD) input, PARD deliver the youth.
- Financial Assistance – Up to 10% of the value of Rowing Revenue per year (membership, camps, lessons) will be dedicated to financial assistance for a total estimated \$325,406 (not dollars, just the actual membership, lessons, or camps at reduced or no cost for a total value of 10% of Rowing Revenue), PARD responsible for developing criteria and getting members of the community to utilize the assistance.
- Working with PARD to identify youth to be included in the Rowing Programs.

Austin Rowing Center proposes to pay the City 3% of gross commercial revenues up to \$300,000, 10.5 % of gross commercial revenue between \$300,000 - \$1,200,000 and 15% of gross commercial revenue at \$1,200,000 and above annually beginning in year 2. ARC will also establish a building maintenance account with 0.5% of commercial gross revenue beginning on the 4th year of the initial term.

MBE/WBE solicited: 7/9

MBE/WBE bid: 0/0

PRICE ANALYSIS

a. Adequate competition.

b. One hundred and sixty-nine notices were sent, including 7 MBEs and 9 WBEs. Two proposals were received, with no response from the MBE /WBEs.

APPROVAL JUSTIFICATION

- a. Evaluated proposal.
- b. The Purchasing Office concurs with the Parks and Recreation Department's recommended award.
- c. Advertised in the Austin American-Statesman and the Internet.