

Annual Concession Report - 2016

Environmental Commission

October 19, 2016

Presenter: Gerard Bickham, MPA, CMRP, CPM





2016 Annual Concession Report Overview

Section 8-1-73 of the City of Austin Code requires an annual report to the Parks and Recreation Board (Board) and the Environmental Board in October providing the following information regarding concessions on Town Lake Park:

- Name & Location
- Revenue, Payments, Expenditures
- Boat Inventory
- Lake Impacts
- Extensions/RFPs
- Environmental Concerns

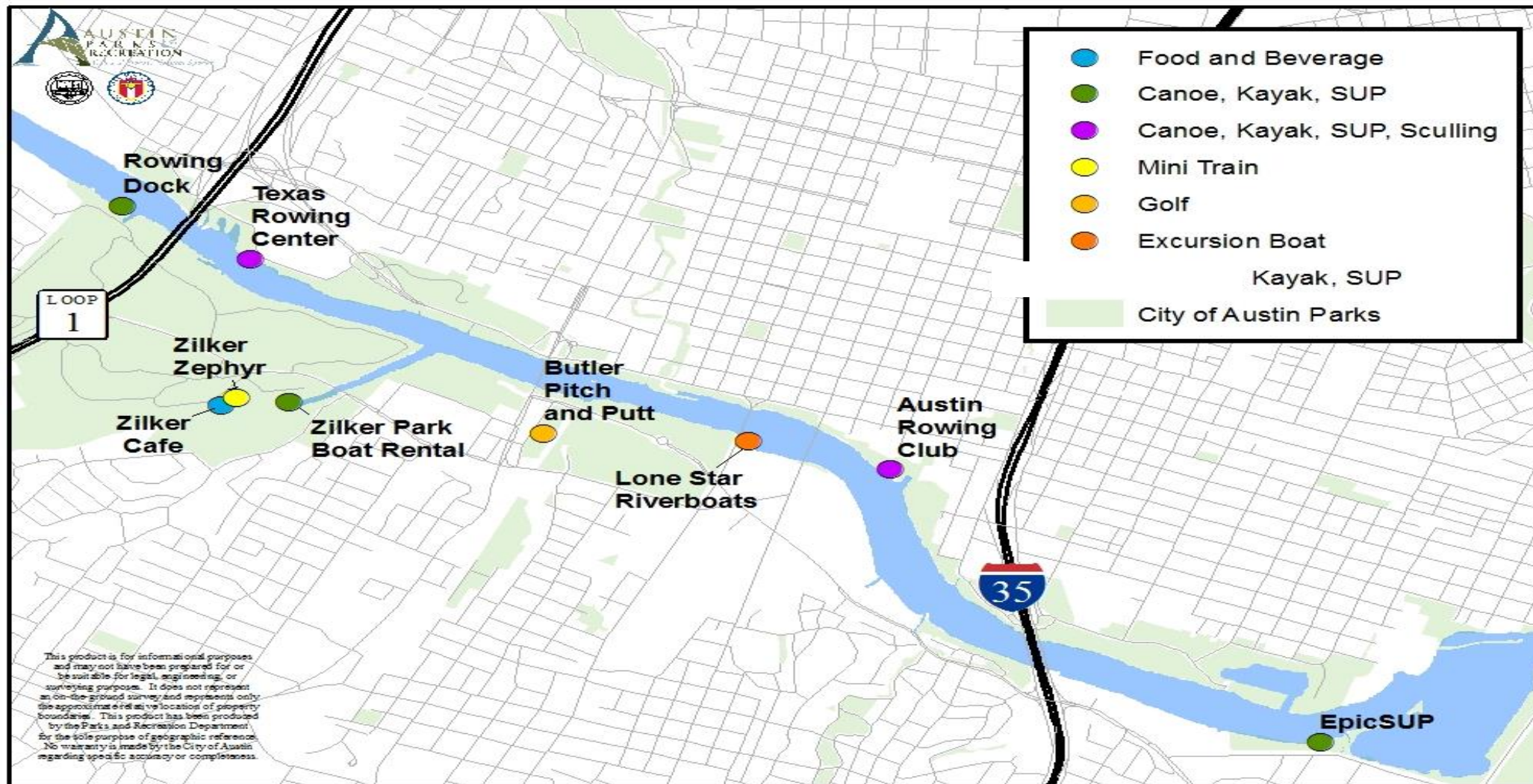
| | Start | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
|--------------------------|------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Lone Star River Boat | August 1, 2015 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| * Zilker Zephyr Railroad | October 1, 1996 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Butler Pitch & Putt | March 15, 2004 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Zilker Café | August 13, 2004 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Texas Rowing Center | May 19, 2000 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Zilker Park Boat Rental | February 2, 2006 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **Rowing Dock | May 1, 2001 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EpicSUP | February, 2013 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Austin Rowing Club | March 1, 2012 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Basic Term | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Option -- executed | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Option -- remaining | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Holdover | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Contract Ended | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Note * Zilker Zephyr contract extension will be based on results of the Zilker Park Comprehensive Plan

Note ** 10 yr contract extension granted to the Rowing Dock due to extensive capital improvements

2016 Annual Concession Report

Concessions

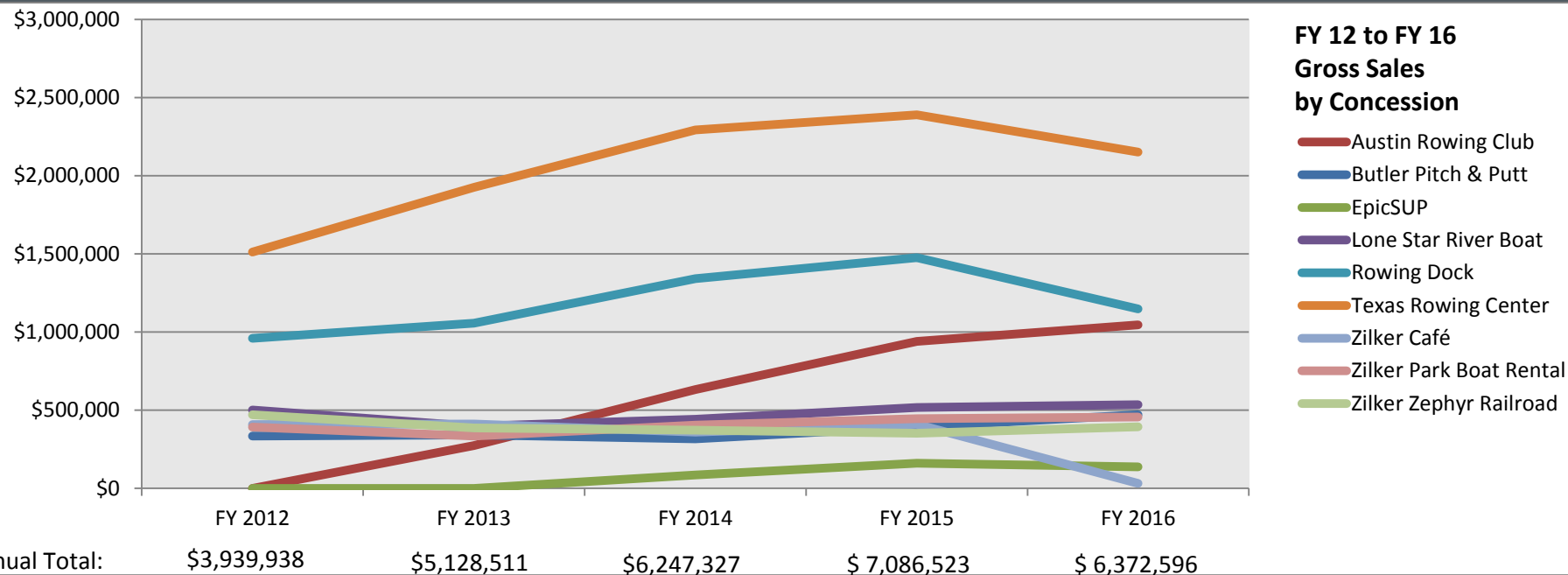


Town Lake Park Concessions:

1. Rowing Dock
2. Texas Rowing Center
3. Zilker Zephyr Railroad
4. Zilker Café
5. Zilker Park Boat Rental
6. Butler Pitch and Putt
7. Lone Star Riverboats
8. Austin Rowing Club
9. EpicSUP

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Gross Revenue

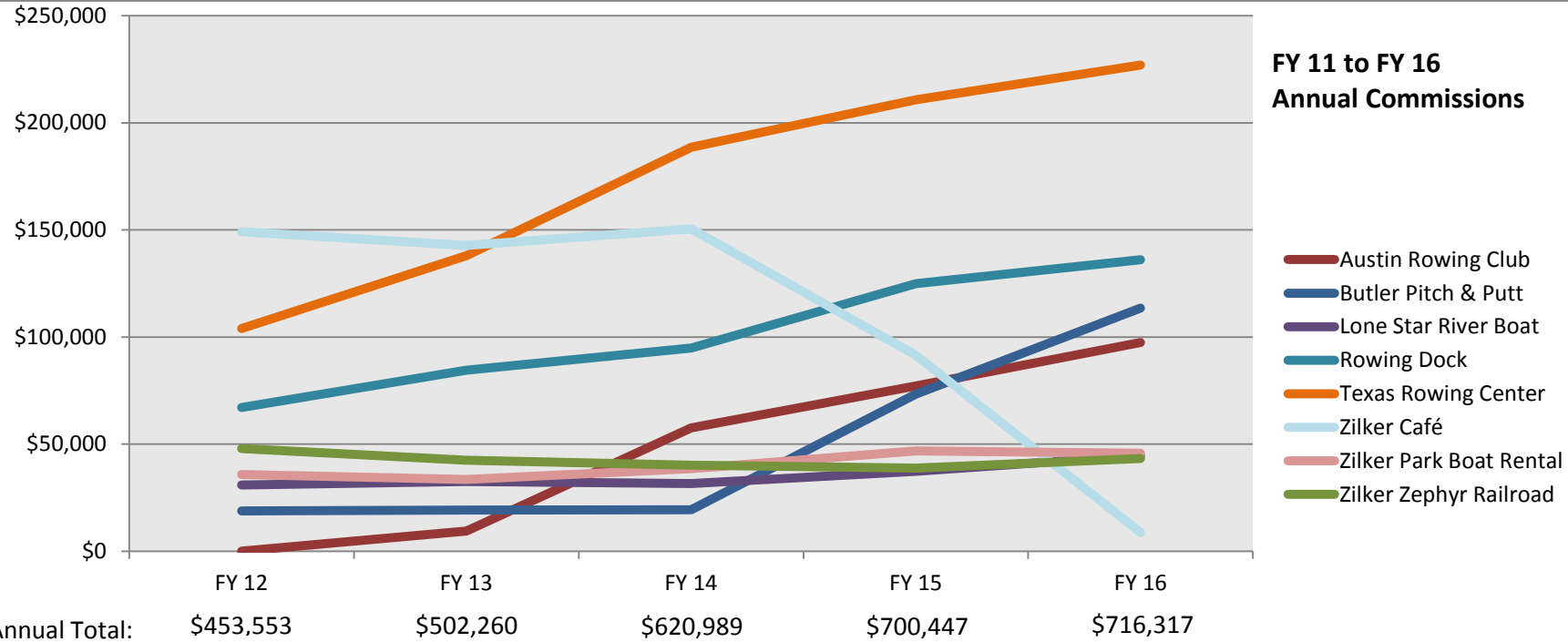


Key Points:

- Butler Pitch & Putt increased gross revenues by the highest percentage of any concession between FY 15 and FY 16, which was 40%, partially due to the addition of drink (alcohol) sales, acceptance of credit cards, improved marketing and site upgrades.
- Texas Rowing Center and Rowing Dock continue to realize the highest revenue of any concessions for the sixth year in a row.
- Austin Rowing Club has increased gross revenue each year, with a 11% increase from FY15 to FY16.
- Most boating concessions were closed for at least 3 days during the 2015 October Flood and 17 days from May 31st to June 16th during the heavy rains. The latter, was during the height of the busy season, which effected total gross revenue for FY 16.

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Payment



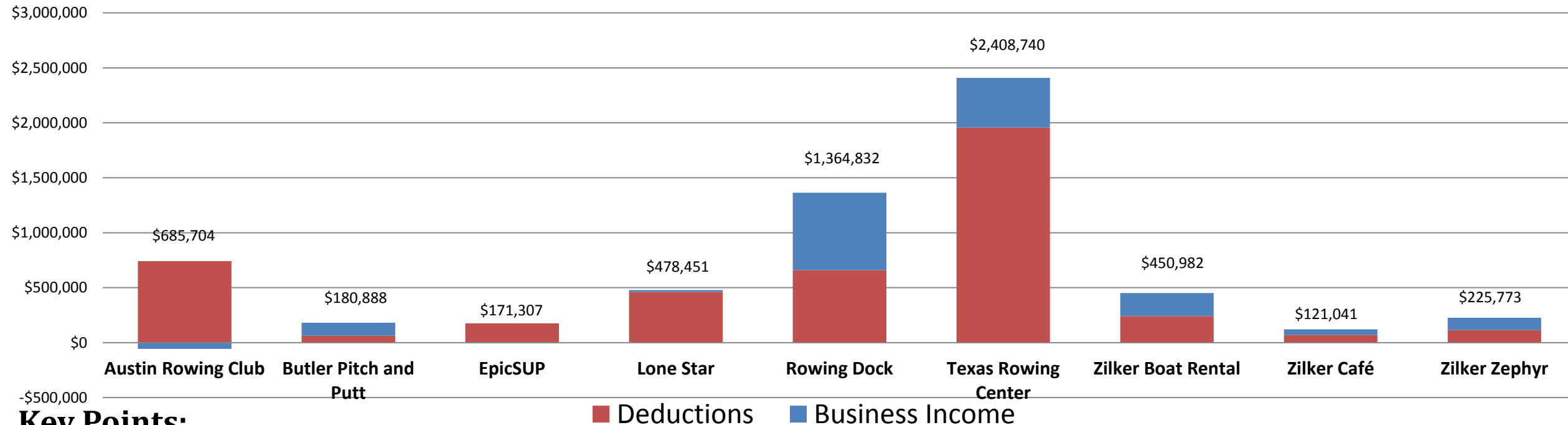
Key Points:

- The Texas Rowing Center paid the highest payments to the City for FY 16 in the amount of \$226,974 .
- The revenues paid by Butler Pitch and Putt showed the highest percentage increase from FY15 to FY16 of 35%
- For the fourth year in a row , the Austin Rowing Club and Texas Rowing Center revenues paid to the City have increased.
- The Zilker Café paid less in revenue due to the end of its contract term.

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Income to Expenditures

Income & Expenditures by Concession



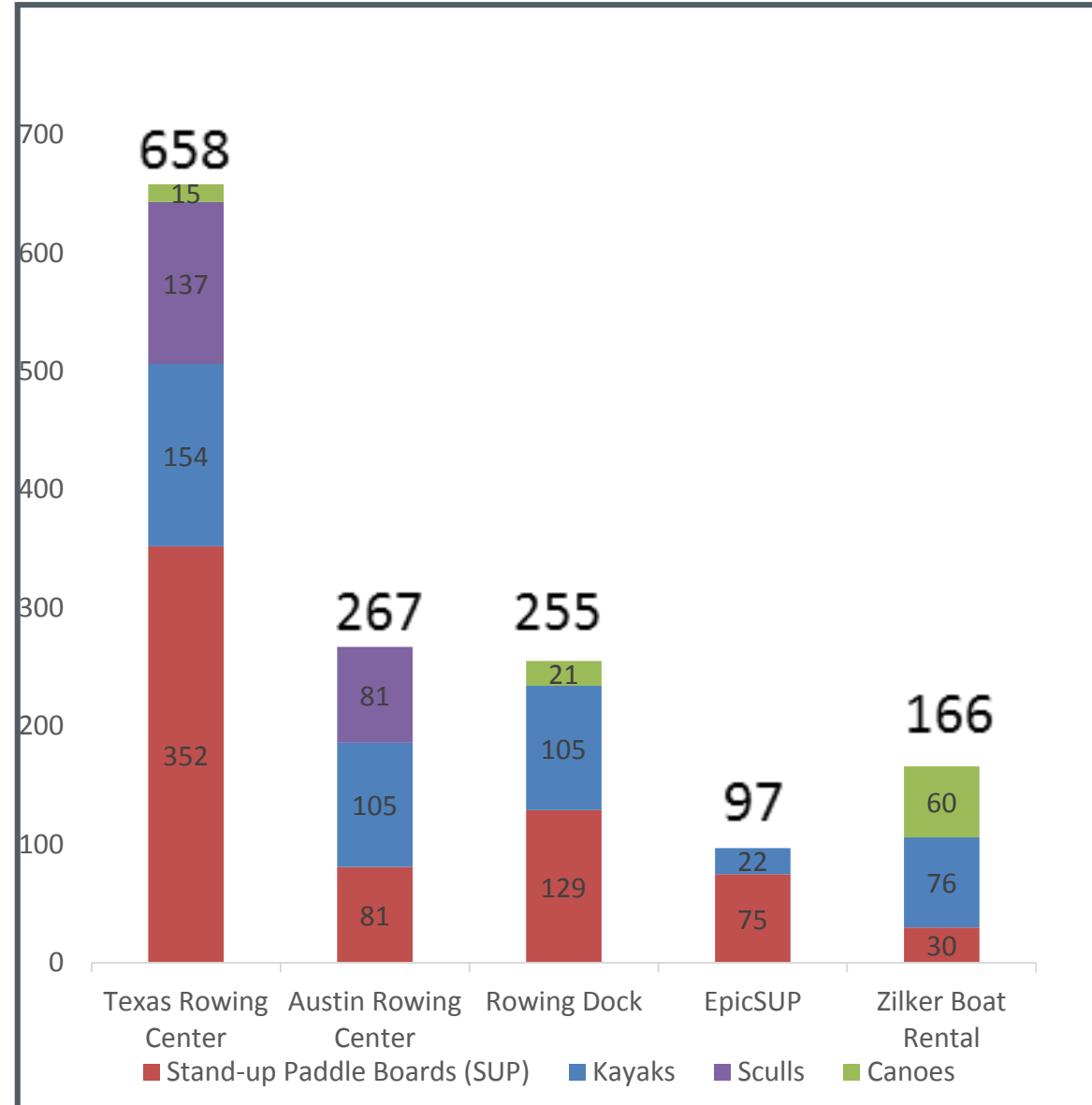
Key Points:

- Austin Rowing Club – 2015 data not yet filed; 2014 data represented in graph.
- Texas Rowing Center and Rowing Dock continue to realize the highest business income.
- Lone Star Riverboat realized the lowest positive percentage of business income to total income, 4% respectively.
- EpicSUP operated at a net loss for calendar year 2015.

Note: figures are based on calendar year 2015 tax returns and monthly revenue reports.

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Boat Inventory



Boat Inventory*

- 2012: 756
- 2013: 946
- 2014: 1,044
- 2015: 1,254
- 2016: 1,456
- Includes excursion boats and coaches launches

**Total Capacity:
2,408 Users**

| | Texas Rowing Center | | | Austin Rowing Center | | Rowing Dock | | | EpicSUP | | | Zilker Boat Rental | |
|------------------------------|---------------------|-------|-------|----------------------|-------|-------------|-------|------|---------|-------|-------|--------------------|-------|
| | # | Day\$ | WE\$ | # | \$ | # | Day\$ | WE\$ | # | Day\$ | WE\$ | # | \$ |
| Kayaks - Single | 82 | \$ 10 | \$ 15 | 43 | \$ 10 | 53 | \$10 | \$15 | 15 | \$ 10 | \$ 15 | 38 | \$ 15 |
| Kayaks - Double | 64 | \$ 15 | \$ 20 | 62 | \$ 15 | 52 | \$15 | \$20 | 4 | \$ 15 | \$ 20 | 38 | \$ 15 |
| Kayaks - Triple | 8 | \$ 20 | \$ 25 | | | | | | | | | | |
| Stand-up Paddle Boards (SUP) | 352 | \$ 15 | \$ 20 | 81 | \$ 20 | 129 | \$15 | \$20 | 75 | \$ 15 | \$ 20 | 30 | \$ 15 |
| Canoes | 15 | \$ 20 | \$ 25 | | | 21 | \$20 | \$25 | | | | 60 | \$ 15 |

Day\$ - Daily Hourly Rate

WE\$ - Weekend Hourly Rate

Sculling is through 'memberships' or various packages at both Texas Rowing Center and Austin Rowing Club

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Concession Improvements

Austin Rowing Club

- Purchase and Installation of acoustic panels for the indoor space to alleviate sound issues, \$5,700 (FY16).

Butler Pitch and Putt:

- Site Improvements: ADA accessibility to club house, upgrades to greens, and landscaping. Currently, 100% complete. Current cost ~\$78,832 (FY15).
- Purchase of new turf equipment for maintenance of parkland, new golfing equipment, new netting to protect parking area, new signage and landscaping, \$19,200 (FY16).

Texas Rowing Center:

- Boathouse expansion. Currently, in design, estimated cost ~\$600,000.
- ADA compliant wheelchair ramp to access boathouse from street ~\$30,000 (FY11).
- Dock expansion ~\$75,000 (FY13).
- Boat Racks ~\$12,000 (FY13).



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Concession Improvements

Lone Star Riverboats:

- ADA access and other site improvements, restoration of City dock. Currently, in design, no cost estimates available (FY15).

Zilker Park Boat Rental:

- Constructed stairs from Barton Creek to the parking lot, \$12,014 (FY12).
- Installed new buildings after 2015 Halloween flood, \$45,000 (FY16).
- Replaced boats, paddles, life jackets, tools and supplies that were destroyed in the flood, \$42,000 (FY16).

EpicSUP

- Construction of boathouse, dock, ADA ramp and other improvements, \$168,767 (FY13).

Rowing Dock

- Improvements to parkland including grounds and parking lot (FY11 - FY15 ~\$71,433).
- Purchased new boats, improvements were made to dock and shade structures, signage, grounds and parking area, \$144,598 (FY16).



2016 Annual Concession Report Committee Recommendation

Parks and Recreation Board Action:

Prepare a joint report, with the Environmental Board, to the Austin City Council not later than the 30th day after the boards' receipt of the Annual Concession Report and recommend the following to the Council.

- Creation, continuation or termination of a concession;
- Status of each existing concession; and
- Issuance of request for proposal for a concession under this division.

