

Austin Rowing Club Agreement

Parks and Recreation Board

July 24, 2018

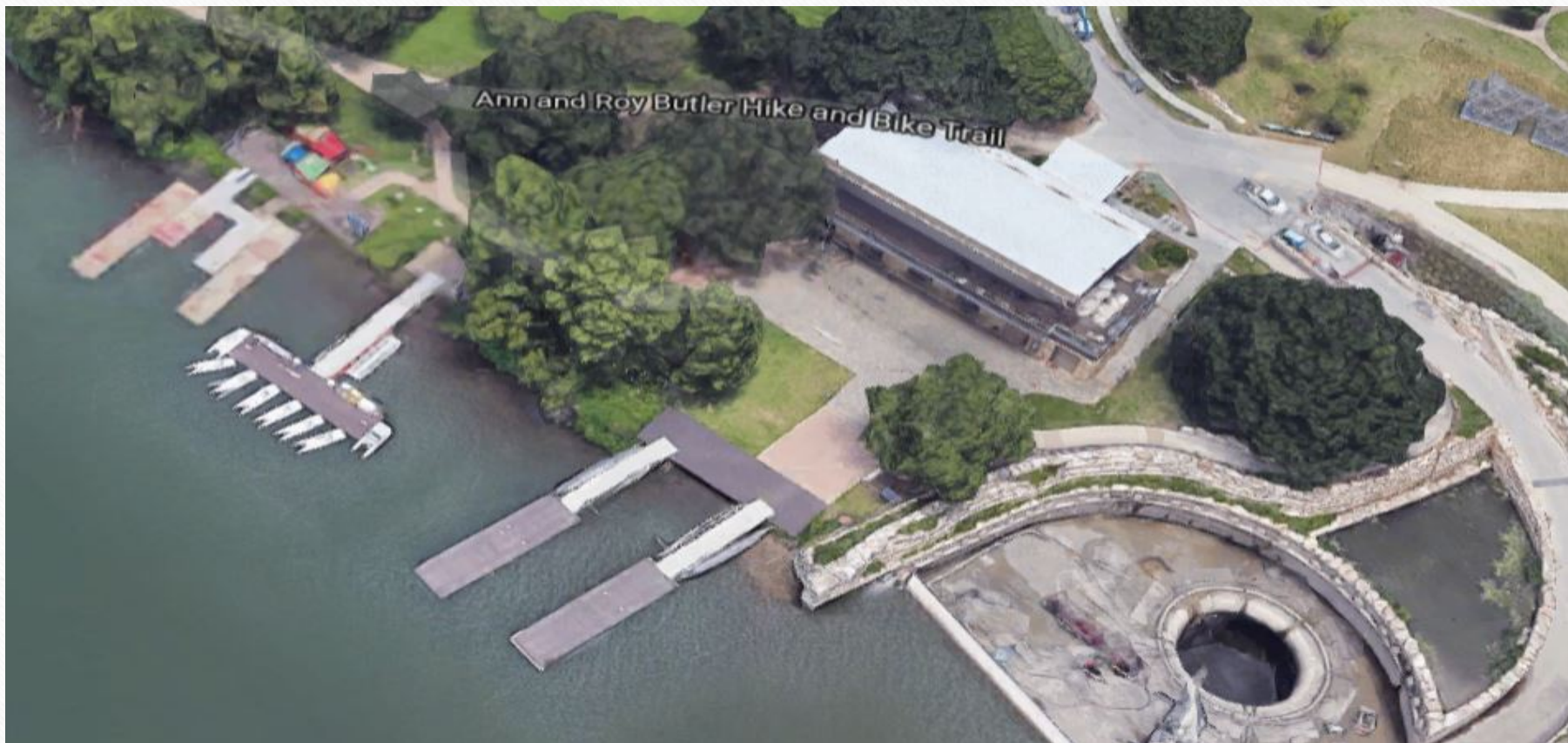
Presenters: Ricardo Soliz, Acting Assistant Director

Lonnie Lyman, Senior Event Coordinator

Austin Rowing Club



Austin Rowing Club



Facility History

- 1986 - Robert Barnstone sold his land to Southland Corporation on the condition that Southland fund and build a rowing facility on the shores of Town Lake. This facility was called the Town Lake Rowing Center. The Austin Rowing Club, a local non-profit, operated out of the facility providing instruction and rowing services to the public and members.
- 2010 –The Town Lake Rowing Center was demolished to make room for the Waller Creek Tunnel outlet. A replacement city owned facility was built called the Waller Creek Boathouse.

Facility History

- 2011 – Tunnel construction begins
- 2012 – Waller Creek Boathouse was substantially complete
- March 1, 2012 – Austin City Council authorized the execution of a revenue concession contract with Austin Rowing Club. The Management and Operation Agreement between the City of Austin and Austin Rowing Club (ARC) was executed
- 2014 – Estimated tunnel project completion*
- March 1, 2017 – The contract extension option was exercised

*Tunnel project experienced design challenges, which has delayed the completion by at least 4 years

City Council Resolution No. 20180628-070

The City Manager is directed to consult the Parks and Recreation Board's Concession and Contracts Committee to solicit feedback on the appropriate process to use in the circumstance and potential contract terms. Pending those recommendations, the City Manager is directed to negotiate and execute a contract with Austin Rowing Club for the management and operation of the boathouse on Lady Bird Lake for an appropriate period.

Recommendations on Critical Contract Components

Components	Current Contract Terms	Staff Recommendation	CCC Rec.
Term	3/1/2012 – 2/28/2017 Extended for 2 additional yrs. expiring 2/29/2019	4 Years with no extensions	2 years with a 2- year renewal option
Revenue Sharing	<ul style="list-style-type: none"> • 3% of the first \$300K • 10.5% of next \$900K • 15% of the remainder of commercial gross revenue (CGR excludes grants, donations, memberships) 	<ul style="list-style-type: none"> • \$1,000 monthly fee plus • 1% of annual gross revenue less than \$80K and 8% of gross revenue above \$80K which is an annual lump sum payment 	✓
Expansion of existing footprint	Premises delineated in Exhibit 1 and accepted	No expansion permitted of the existing footprint	✓

Recommendations on Critical Contract Components

Category	Current Contract Terms	Staff Recommendation	CCC Rec.
Youth Programming	\$40K of programming per year for underserved youth	✓	✓
Financial Assistance	ARC provide 10% of the value of Rowing Revenue per year to be dedicated to financial assistance for ARC memberships, ARC lessons, or ARC camps.	ARC provide at least 10% of the value of Rowing Revenue per year to be dedicated to financial assistance for ARC memberships, ARC lessons, or ARC camps.	Increase 10% to 15%

Recommendations on Critical Contract Components

Category	Current Contract Terms	Staff Recommendation	CCC Rec.
Relocation Clause	"Upon termination of this agreement, the City agrees to work in good faith to identify and make available alternative locations on Ladybird Lake for ARC to operate its programs."	Remove relocation clause	✓
New contract or amendment		Staff recommends a new contract that is consistent with the terms and conditions of the current concessionaire agreements.	✓ * Amendment per latest Legal opinion

Recommendations on Critical Contract Components

Category	Current Contract Terms	Staff Recommendation	CCC Recommendation
Maintenance	City is responsible at its sole expense for all repairs to facility. ARC makes all regular and ordinary non-structural building maintenance and repairs including but not limited to: painting, wall paper, tile, flooring, electrical, plumbing, and window glass replacement. City reimburses ARC for any repairs extending \$5K.	Concessionaire is responsible for: <ul style="list-style-type: none">• All equipment and personnel necessary to operate.• A proactive preventive maintenance program.• Ordinary nonstructural building maintenance repairs.• Repair and replacement of gangway and all docks.• Annual Operations and Maintenance Reports.	✓

Recommendations on Critical Contract Components

Category	Current Contract Terms	Staff Recommendation	CCC Recommendation
Utilities	ARC is responsible at its sole cost and expense for all utilities	✓	✓
Other Deliverable	N/A	Annual Submission: <ul style="list-style-type: none">• Integrated Pest and Waste Management Plan• Sustainability Plan• General Safety, Security, and Evacuation Plan• Marketing Plan• Calendar of Events	✓

Action:

Discuss and make a recommendation regarding
Council Resolution No. 20180628-070

