



## Recommendation for Action

**File #:** 19-3002, **Agenda Item #:** 37.

10/3/2019

### **Posting Language**

Authorize negotiation and execution of a multi-term revenue contract with Springfed LLC JV, or one of the other qualified offerors to Request For Proposals 8600 CRR3002, to provide food and beverage concession services at Zilker Park, for up to twenty years for a total estimated revenue contract of \$3,250,000.

(Note: Revenue contracts are exempt from City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program; therefore, no subcontracting goals were established).

### **Lead Department**

Purchasing Office.

### **Client Department(s)**

Parks and Recreation Department.

### **Fiscal Note**

This is a revenue contract.

### **Purchasing Language:**

The Purchasing Office issued a Request for Proposals (RFP) 8600 CRR3002 for these services. The solicitation issued on April 29, 2019, and it closed on June 6, 2019. Of the five offers received, the recommended contractor submitted the best evaluated responsive offer. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=126592)  
<[https://www.austintexas.gov/financeonline/account\\_services/solicitation/solicitation\\_details.cfm?sid=126592](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=126592)>.

### **For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or [AgendaOffice@austintexas.gov](mailto:AgendaOffice@austintexas.gov) <<mailto:AgendaOffice@austintexas.gov>>

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Claudia Rodriguez, at 512-974-2959 or [ClaudiaR.Rodriguez@austintexas.gov](mailto:ClaudiaR.Rodriguez@austintexas.gov) <<mailto:ClaudiaR.Rodriguez@austintexas.gov>>.

### **Council Committee, Boards and Commission Action:**

September 24, 2019 - To be reviewed by the Parks and Recreation Board.

### **Additional Backup Information:**

The contract is for the management and operation of a food and beverage concession within Zilker Park (Zilker Café) at Barton Springs Pool. The Zilker Café was originally built during the 1960's and contributes to the historic character of Zilker Park, which is listed as a National Register Historic District.

In the spring of 2015, the City conducted a public survey to better understand and develop clear project goals for the solicitation. The survey results garnered priorities for the concession such as healthy menu options and

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affordable pricing that were integrated into the requirements of the solicitation. The previous contract for these services expired in January 2016. Additionally, an inspection of the vacated building in 2016 uncovered that renovations were necessary to make the building code compliant before another contractor could occupy the facility for food service operation.

There has not been a concessionaire at the Zilker Café since the previous contract expired. The new contract revenue estimates are based off the proposed revenue structure and estimated sales.

The contractor will furnish and operate the newly renovated café and provide staffing, management, equipment, janitorial services, and maintenance of the facility. They will provide healthy and locally sourced menu items that are affordable including breakfast items and gluten-free and vegetarian meal options. They will utilize recyclable food containers and utensils.

An evaluation team with expertise in this area evaluated the offers and scored Springfed LLC JV as the best to provide these services based on a proposed management plan, operating plan, financial (revenue) plan, demonstrated qualifications and experience, local business presence and service-disabled veteran business enterprise.

This request allows for the development of a contract with a qualified offeror selected by Council. If the City is unsuccessful in negotiating a satisfactory contract with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that another qualified offeror may be selected, authorizing new contract negotiations.

Without this contract the Zilker Café will not be utilized, and the City will not receive any concession revenue.

**Contract Detail:**

<b>Contract Term</b>	<b>Length of Term</b>	<b>Estimated Contract Revenue</b>
Initial Term	10 yrs.	\$1,155,000
Optional Extension 1	5 yrs.	\$ 920,000
Optional Extension 2	5 yrs.	\$1,175,000
<b>TOTAL</b>	<b>20 yrs.</b>	<b>\$3,250,000</b>

**Note:** Contract Revenue amounts are based on the City's estimated annual revenue.