



City of Austin

Waller Creek Boathouse



Waller Creek Boathouse



Purpose:

- The City's Purchasing Department is seeking authorization to execute a contract for management and operation of the Boathouse on Lady Bird Lake
- Component of the City of Austin's Waller Creek Tunnel Project
- Projected occupancy of March 2012
- RFP No.CB30017 was issued on March 15, 2010
 - two proposals were received by the City
 - only one proposer remains qualified

ARC's proposal:

- Management services for operating, maintenance and repair of the Boathouse.
- Initial Capital Investment: \$240,680 and program specific equipment exceeding \$870,000.
- Expanded rowing programs, kayaking, standup paddle boarding, dragon boating, cycling and a café bringing coffee, food and beverage services to park users.



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ARC's proposal: (continued)

- Other activities include:
 - Special events, meeting space rental and use, educational and social programming and events and exercise concession services such as yoga
 - Programs and services benefiting the general public at large, disable citizens, youth and seniors.
 - Subcontracting opportunities for other concession activities.
 - Host 3 rowing events annually and dozens of visiting crews from cold weather regions in winter

ARC's Commitment:

- Underserved Youth Programming - Up to \$40,000 value in programming per year coordinating programming with Parks and Recreation Center (PARC) input, PARC will coordinate youth participation.
- Financial Assistance – Up to 10% of the value of Rowing Revenue per year (membership, camps, lessons) dedicated to financial assistance (not dollars, just the actual membership, lessons, or camps at reduced or no cost for total value of 10% of Rowing Revenue),
- PARC responsible for developing criteria and getting members of the community to utilize the assistance.
- PARC to identify youth to be included in the Rowing Programs.



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Revenue Terms:

- 3% of gross commercial revenues up to \$300,00
- 10.5% of gross commercial revenue between \$300,00 - \$1,200,00,
- 15% of gross commercial revenue at \$1,200,00 and above annually beginning in year 2.
- Establish a building maintenance account with 0.5% of commercial gross revenue beginning the 4th year of the initial term.
- The year 1 “Payment to City” will be deferred and spread over years 2 and 3.
- Any unspent Year 1 amounts for Financial Assistance and Underserved Youth can carry over to Year 2. However, no unspent funds can carry over past year 2.
- The City will provide 10 temporary parking spots at the Convention Center Parking Garage.
- City will establish a Contract Evaluation Team consisting of: Director of PARD, City CFO – Director of Finance, City Purchasing Officer. This team will report to the ACM over PARD.



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Revenue Terms: (continued)

- At the 18th month mark contract is executed
 - Evaluation Team will conduct a Performance review to ensure ARC is adequately meeting all service expectations and Financial expectations.
 - Evaluation Team will provide ARC a report on all findings, which may include a notice that ARC is jeopardy of not meeting expectations which could result in termination of contract.
- At the 28th month of executed contract
 - Evaluation Team will conduct a complete Performance Evaluation of the first 24 months of operations.
 - Financial review will be from an Independent Audit provided to the City by ARC.
 - IF ARC is meeting or exceeding all financial expectations as proposed on the original contract, ARC will be allowed to continue operations.
 - If financial projections are not met, City will have the right to terminate the agreement and provide a 90 day notice.
 - As this is a right to terminate, the Performance Evaluation Team will make a recommendation to the ACM, which will be discussed with City Manager.

