

# **CITY OF AUSTIN PARKS AND RECREATION DEPARTMENT**

**Concessions and Contracts Committee Meeting  
Management and Operation Agreement  
for Austin Tennis Center**

**September 15, 2015**



# Background

- The Austin Tennis Center is the City of Austin's newest facility and was completed December 2008.
- Partnership with Austin Independent School District.
- Located at 7800 Johnny Morris Road.
- 10 Lighted Tennis Courts & 8 lighted Quick-Start Courts
- 200 square feet of retail floor and wall space with restrooms.



# Community Engagement

- Community Input – April-May 2014, PARD staff met with major local Tennis Associations.
- A survey was conducted through “SpeakUp Austin” and was available for six weeks (June – July 2014).
- Over 700 responses received.
- Results from survey helped shape Scope of Work for RFP.
  - Major focus on customer service
  - Online reservations
  - Daily use – Maximizing court usage
  - Social media and marketing

# Request for Proposal (RFP) Process

- Proposals were accepted during a four-week period – June 29 – July 30, 2015.
- Corporate Purchasing Office received one proposal that met minimum qualifications and elected to extend the acceptance period by another week.
- No additional proposals were received.
- PARD completed a thorough evaluation and has identified **Lone Star Tennis** as the successful proposer.
- **Lone Star Tennis** has demonstrated the capacity to deliver the requirements outlined in the scope within the project budget.
- **Lone Star Tennis** is the current vendor and is in good standing.

# Vendor Services and Deliverables

In this agreement, the Vendor will:

- Conduct business in a manner that will reflect positively upon the Vendor and the City.
- Conduct customer service surveys and provide results to City.
- Provide an on-line reservation system.
- Provide tennis programming, services and merchandise that directly promote the use of the facility as a tennis center.
- Collect all Council-approved fees.
- Maximize court usage to maintain a minimum of \$24,000 (three years in court fee revenue based on location and service area).
- Receive 100% of revenues from programming and retail sales.
- Hire and train qualified staff for facility operation.
- Provide all custodial services and supplies.
- Enforce applicable municipal tennis center policies.

# City of Austin Services and Deliverables

In this agreement, the City will:

- Grant vendor exclusive use of the Caswell Tennis Center for programming during the term of the agreement.
- Receive 100% of Council approved court fee revenues (\$30,000 estimated 3-year revenues). Revenues projections are based on location and service area.
- Pay all utilities and maintain the facilities in good condition and repair (\$200,000 estimated 3-year expenses).
- Provide a monthly management fee to be negotiated (fee included in above expense estimate).
- Revenues from the other 3 tennis facilities help off-set the revenue – expense gap

# Agreement Terms and Conditions



- Term:
  - Initial – 3 Years
  - Two additional 3-year renewal options
  - Possible 9- year contract term
- Monitoring:
  - City will appoint a contract manager, who will serve as single point of contact for this agreement.
  - City will conduct quarterly and year-end facility standard evaluations.
  - City will conduct random inspections to ensure all provisions of the contract are being met.

# Requested Board Action

## Recommendation:

Board make a recommendation to the Austin City Council to authorize the negotiation and execution of an agreement with **Lone Star Tennis** for the management and operation of the Austin Tennis Center.



# QUESTIONS/COMMENTS?

## THANK YOU!

