



Contract and Concessions Committee
January 19, 2024

BOATING CONCESSION ON BARTON CREEK CONTRACT EXTENSION

Presented by:

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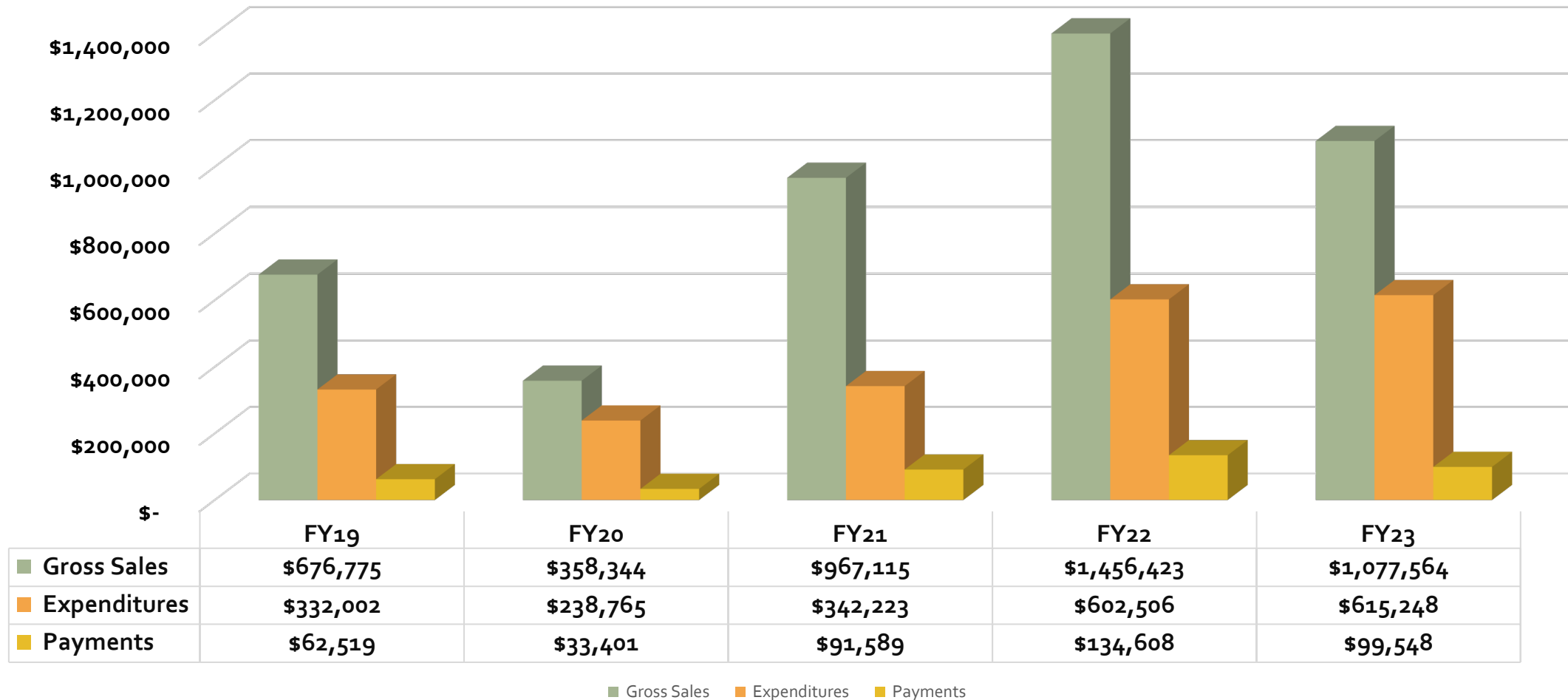
BACKGROUND

- Zilker Park Boat Rental opened for business in 1969 as a canoe rental service for Barton Creek and Lady Bird Lake.
- Later, they added kayaks and stand-up paddle boards (SUPs) to their watercraft inventory.
- Zilker Park Boat Rental has been in continuous operation for over 50 years.
- In 2006, the City of Austin entered into a revenue concession agreement with the Zilker Park Boat Rentals for the use of the property, located downstream from Barton Springs Pool, as a watercraft concession.
- Current contract:
 - Initial Term (02/28/2006 – 03/01/2011)
 - Extension #1 (03/01/2011 – 02/29/2016)
 - Extension #2 (03/01/2016 – 02/28/2021)
 - Extension #3 (02/28/2021 – 02/28/2022)
 - Extension #4 (02/28/2022 – 02/28/2024)
 - Extension #5 (02/28/2024 – 02/28/2025)

BACKGROUND (cont'd.)

- Revenue Obligations
 - Payment of minimum of \$18,000 annually plus 10% of any amount over \$180,000 gross revenue.
- Reinvestment Obligations
 - \$35,000 on-site improvement in first 7 years of contract term.
- Major Contract Deliverables
 - Monthly sales report including daily sales by items sold, with daily tallies of revenue, sales tax, and gross revenue, monthly totals and daily cash register Z-tapes.
 - Living wage of \$14/hr.
 - Annual IRS tax return.

HISTORICAL GROSS SALES, REPORTED EXPENDITURES, AND REVENUE PAYMENTS



Next Steps

- PARD staff is in the process of developing a new scope of work for a vendor to manage and operate the watercraft concession on Barton Creek.
- Once the new scope of work is completed, it will be submitted to Central Procurement for review and approval. Then, a new solicitation will be released.
- The anticipated timeline for the solicitation process is as follows:
 - Solicitation Process (Solicitation Release and Closing) – March 2024 – May 2024
 - Evaluation Process – May 2024 – July 2024
 - Committee and Board Presentations – August 2024
 - Council Action – September 2024
 - Contract Negotiation and Execution – October 2024 - February 2025

STAFF RECOMMENDATION AND REQUEST FOR COMMITTEE ACTION

- PARD recommends the extension of the revenue contract with Zilker Park Boat Rentals for the continuance of watercraft rentals for public recreation.
- The proposed one-year extension will assist the Department in providing quality recreation while giving the City time to resolicit a concessionaire for the management and operation for the concession at Barton Creek.



Requested Committee Action

Recommend to the Parks and Recreation Board City Council authorization for the negotiation and execution of the contract extension with Zilker Park Boat Rentals.