

- **Board of Directors**
Asset, Real Estate and Infrastructure Policy Committee

July 8, 2003 Board Meeting

9-4

Subject

Authorize entering into negotiations and executing a contract with Urban Park Concessionaires for marina concessionaire and entrance fee collection/reservation services at the Diamond Valley Lake East Marina for a period not to exceed 30 months

Description

In March 2003, Metropolitan's Board authorized funding for construction of the Phase I portion of the Diamond Valley Lake (DVL) East Marina. This construction will complete one component of a multi-phase effort to develop the east marina facilities as presented to the Diamond Valley Recreation Special Committee in June 2002.

Phase I focuses on the development of facilities necessary for a functional marina. Facilities not expressly required to permit boating on the lake will be provided in subsequent phases. The facilities currently being constructed under Phase I are: (1) East Marina Access Road extension, (2) temporary parking area, (3) temporary restroom facilities, (4) boat launch ramp, (5) boarding dock facilities, and (6) wave attenuator.

In April 2003, the Asset, Real Estate and Infrastructure Policy Committee was presented with several options for management of the DVL East Marina. Based on feedback from the Board, staff has proceeded with the issuance of Requests for Proposals and/or Requests for Bids to initiate the multiple contracts necessary to supply the services at the marina. The primary contracts will be for: a concessionaire for daily marina and rental fleet operations; an entrance gate fee collection and reservation system; lake security; sanitation and waste removal; and general maintenance. All contracts are being negotiated in accordance with Metropolitan's contracting policies and procedures, and will be limited to the interim period (not to exceed 30 months) prior to completion of Phase II marina facilities (approximately 2 years). These contracts are detailed in [Attachment 1](#). Budgets for these contracts have been included within the Water System Operations Group's fiscal year 2003/04 annual operating budget.

This letter requests authorization for the Chief Executive Officer to enter into negotiations with Urban Concessionaires for marina concessionaire and entrance fee collection/reservation services at the DVL East Marina under a single contract. Urban Park Concessionaires, a small business enterprise based in Red Bluff, California, has extensive experience working with drinking water utilities that allow recreation on storage reservoirs. Since Urban Park Concessionaires was determined to provide the best overall value for both the marina concessionaire and the entrance fee collection/reservation services, staff recommends that these services be combined under a single contract. Certain operational efficiencies can be achieved by utilizing the same entity to perform both functions. Projected expenditures under this contract will be offset by corresponding revenues, and the total contract amount is anticipated to remain within the CEO's delegated authority.

Policy

Metropolitan Water District Administrative Code § 8103: Competitive Bidding

Metropolitan Water District Administrative Code § 8117: Professional and Technical Consultants

Metropolitan Water District Administrative Code § 8121: Contracts for Equipment, Materials, Supplies, and Routine Services

California Environmental Quality Act (CEQA)

CEQA determination for Staff Recommendation:

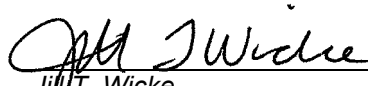
To comply with CEQA and the State CEQA Guidelines, Metropolitan as the Lead Agency prepared a Mitigated Negative Declaration (MND) for the Diamond Valley Lake Recreation East Marina (project). The MND was distributed for a 30-day public review period that began on December 24, 2002. The Board later adopted the MND and the mitigation monitoring and reporting program (MMRP) on February 11, 2003. The present proposed board action is solely based on entering into service contracts to operate the concessionaire at the East Marina and not on any changes to the approved project itself. Hence, the previously adopted environmental documentation in conjunction with the current proposed actions fully complies with CEQA and the State CEQA Guidelines. As such, no further environmental documentation is necessary for the Board to act on with respect to the proposed action.

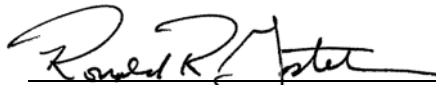
The CEQA determination is: Determine that the proposed action has been previously addressed in the adopted 2003 MND and its MMRP and that no further environmental analysis or documentation is required.

Staff Recommendation

Adopt the CEQA determination and authorize the Chief Executive Officer to enter into negotiations and execute a contract with Urban Park Concessionaires for marina concessionaire and entrance fee collection/reservation services at the Diamond Valley Lake East Marina for a period not to exceed 30 months.

Fiscal Impact: Adequate funds exist in the FY 2003/04 operating budget.

 Jill T. Wicke Manager, Water System Operations	7/2/2003 Date
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 Ronald R. Gastelum Chief Executive Officer	7/2/2003 Date
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Attachment 1 – Detailed Report

BLA #2221

Detailed Report

A staff presentation to the Asset, Real Estate, and Infrastructure Policy Committee in April 2003 presented several options for management of the DVL East Marina. The Committee expressed a desire to model the marina service contracts after those observed at Lake Casitas. Staff has proceeded with the development of multiple contracts to supply the necessary services at the marina in accordance with the Committee's request. Individual contracts for marina concession, entry fee collection and reservation system, lake patrol, boating rules compliance, and other selected services are being negotiated in accordance with Metropolitan's contracting policies and procedures.

In general, the term of the contracts will be limited to the interim period prior to completion of Phase II marina facilities. The short-term, interim contracts will allow Metropolitan to build experience working with reservoir recreation usage before entering into the anticipated long-term contracts upon completion of the Phase II marina facilities. In addition, the end of the contract terms are planned to coincide with the term of the recreation management contract at Lake Skinner giving Metropolitan the option of entering into a larger, regional recreational management contract at that time if desired.

Funds for these concession contracts are included in the fiscal year 2003/04 Water System Operations Group's operating budget. All contracts are anticipated to be executed under the CEO's delegated authority.

Marina Concessionaire Services

Metropolitan issued RFP 625 on May 7, 2003, to solicit proposals from concessionaires interested in providing services to support recreational fishing at DVL. These services generally include rental of boats; sale of fishing licenses, bait, and tackle; limited food and non-alcoholic beverage sales; and related logistical support.

As directed by the Asset, Real Estate, and Infrastructure Policy Committee, Metropolitan will purchase the boat rental fleet. The availability of a boat rental fleet allows for increased recreational opportunities for the public. The boat rental fleet will be comprised of both fully equipped bass boats (40) and pontoon-type boats (10), all equipped with non-polluting engines. Funds for the purchase of the boats and the concessionaire contract are included in the fiscal year 2003/04 operating budget.

Entrance Fee Collection and Reservation System

Metropolitan issued RFP 629 on May 21, 2003, to solicit proposals from contractors interested in performing entrance fee collection and reservation services. A general entrance fee, a private vessel launch fee, and a fishing access fee are envisioned at this time. In addition to entrance fee collection, the contractor will administer a reservation system. The reservation system is intended to reduce overcrowding and the need to turn visitors away at the gate.

Concessionaire Selection Process

A total of six perspective bidders attended the pre-proposal conference held on May 13, 2003. Two proposals were received for each of the RFPs, by the same two respondents (Urban Parks Concessionaires and Center Plate). Metropolitan's cross-function evaluation team identified Urban Parks as the respondent that provided the best overall value for both RFPs.

Urban Park Concessionaires, a small business enterprise based in Red Bluff, California, has extensive experience working with drinking water utilities that allow recreation on storage reservoirs. Since Urban Park Concessionaires was determined to provide the best overall value for both the marina concessionaire and the entrance fee collection/reservation services, staff recommends that these services be combined under a single contract, for a period not to exceed 30 months. Certain operational efficiencies can be achieved by utilizing the same entity to perform both functions. Projected expenditures under this contract will be offset by corresponding revenues, and the total contract amount is anticipated to remain within the CEO's delegated authority.

Other Contracts

The following contracts are within the CEO's authority and are included for the Board's information only:

Lake Patrol

Since DVL is Metropolitan's primary drinking water storage facility, and because of the increased emphasis being placed on homeland security, a strong uniformed presence is desired to perform lake patrol services at DVL during peak periods (weekends and holidays). The Riverside County Sheriff's Department was selected over other entities due to their superior response time and the accessibility to additional resources such as Emergency Services (SWAT), Hazardous Devices Team, Underwater Search and Recovery Teams, Search and Rescue Teams, and Aviation Unit. The Sheriff currently provides lake patrol services at Lake Elsinore and is best equipped to perform these services at DVL.

The contract includes the use of one dedicated, full-time Sheriff's Sergeant, with additional support supplemented on an as-needed basis. Metropolitan will furnish and maintain two patrol boats to perform lake patrol services. Staff coordinated with the Sheriff's Department on requirements for the patrol boats, and is purchasing these items under the fiscal year 2003/04 operating budget.

Boating Rules Compliance and Supplemental Lake Patrol

In August 2002, Metropolitan's Board adopted boating rules and regulations to protect water quality at DVL. These boating rules place certain restrictions on boat size, engine type, allowable fuel, and on-board sanitation facilities. Compliance with these rules must be verified before private vessels will be allowed to enter the marina facility. In addition, a need has been identified for supplemental lake patrol during the Sheriff Sergeant's off-hours. The use of private security forces is more cost-effective than utilizing additional dedicated Sheriff's deputies. Staff has developed a plan whereby existing contract security services can be expanded to fill this role.

Metropolitan recently utilized a competitive process via RFP 503 to select Pinkerton (now referred to by parent company name, Securitas) to provide district-wide security services. The previously negotiated rates will be utilized in the boating rules compliance and supplemental lake patrol services to ensure that Metropolitan is receiving the best value for these services.

Other Miscellaneous Service Contracts

Other miscellaneous services will be provided utilizing service contracts selected through Metropolitan's procurement program. These services include sanitary services, waste removal, weed abatement, and general facilities maintenance. Staff has utilized Metropolitan's Business Outreach Program to encourage local, small businesses from the surrounding communities to participate wherever possible.