

REPORT OF GENERAL MANAGER

NO. 05-16

DATE January 19, 2005

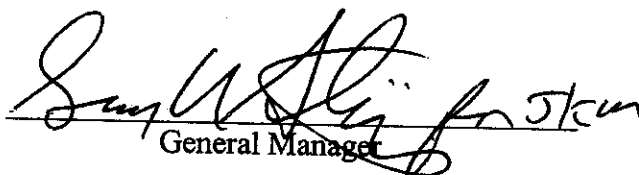
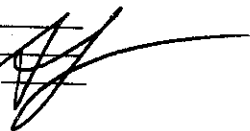
C.D. Various

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: WITHDRAWAL OF THE REQUEST FOR PROPOSALS FOR THE
ELECTRIC GOLF CART RENTAL CONCESSION

K. Chan _____
J. Combs _____
H. Fujita _____

J. Kolb _____
F. Mok _____
*G. Stigile _____


General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATION:

That the Board authorize the withdrawal of the Request for Proposals (RFP) for the operation of the golf cart rental concession.

SUMMARY:

The twelve-year concession agreement for the rental of golf carts at the five Department facilities with 18-hole courses expired February 1, 2003. An RFP for a new ten-year agreement, with a five-year option to extend at the City's discretion, was approved by the Board on October 1, 2003 (Report 03-274) and released on December 21, 2003. The original deadline to submit proposals was February 17, 2004, but was administratively extended to March 2, 2004 due to ongoing discussions with the General Manager of Service Employees International Union on the impact to City workers of contracting this service. On February 18, 2004, the Board extended the deadline to receive proposals to June 22, 2004, to allow sufficient time to conclude discussions (Report 04-42).

On May 5, 2004, staff presented to the Board an analysis of the findings in accordance with Charter Section 1022 and requested authorization to proceed with the self-operation of the golf cart rental service (Report 04-142). In response to staff's recommendation for self-operation, the Board requested independent analyses be conducted by an outside consultant and the Office of the City Administrative Officer, postponing the deadline to receive proposals to September 28, 2004. The Board subsequently extended the deadline to January 25, 2005 (Report 04-261) to allow additional time to complete this analysis.

As the result of several recent RFPs completed in the thirteen months since this RFP was released, staff has identified numerous changes necessary to the standard RFP documents and has worked with the City Attorney to make these revisions. Additionally, since the original

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Concession Agreement expired nearly two years ago, many of the golf carts currently used for this concession are overdue for replacement. Due to the uncertainty of the RFP and possibility of self operation, it is unrealistic to require the operator to make the substantial investment necessary to replace these carts. Staff is working with the concessionaire to explore replacement options that may result in further modifications to the RFP.

Staff therefore recommends withdrawal of the current golf cart RFP and will seek approval to release a new RFP contingent on the completion of the study on the feasibility of self operation of the golf cart rentals.

Report prepared by Michael Honan, Administrative Resource Division.