



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

2009 DEC -2 PM 12:33

COUNTY OF SANTA BARBARA
CLERK OF THE
BOARD OF SUPERVISORS

Department Name: Parks
Department No.: 052
For Agenda Of: December 8, 2009
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Daniel C. Hernandez (568-2461) *DCH*
Director
Contact Info: Daniel C. Hernandez (568-2461)
SUBJECT: Termination of Concession Agreement Cachuma Lake Boat Rentals Inc

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence:

As to form: N/A

Recommended Actions: That the Board of Supervisors

Receive this report. Take the following actions:

1. Authorize the Parks Director's to issue a Notice of Termination for the concession agreement with CBRI; and
2. Direct the Parks Director to return to the Board with either
(1) a replacement concessionaire who will provide the customary services to the public at Lake Cachuma Recreation Area; or
(2) a recommendation for other means of operation of the concession services.

Summary Text: Cachuma Boat Rentals, Inc. ("CBRI") holds the concession agreement at Lake Cachuma County Park. The agreement requires that CBRI provide Park visitors with services including the following:

- Floating boat dock, fueling facility and boat rentals;
- Snack bar
- Bait shop and fishing licenses

Beginning in 2009, CBRI has failed to consistently provide all required services despite several requests from Parks staff. Complaints are being received from the public due to poor service. Late payment of

rent is also a recurring problem. The concession agreement authorizes the Parks Director to administer and enforce its provisions on the County's behalf. The Director intends to send a Notice of Termination to CBRI based on the defaults discussed herein.

Background:

CBRI occupies space and provides services under a Board-approved concession agreement dated December 19, 1988. That agreement expired in January, 2005, and CBRI has been holding over on a month-to-month basis since that time. The concession agreement obligates CBRI to provide public services including operation of a floating boat dock, boat rental services, bait and tackle shop, and a snack bar-type restaurant facility.

In Spring and Summer of 2009, CBRI began closing its facilities to the public in violation of the concession agreement. These closures are intermittent and affect the revenue from the various services. A Notice was mailed to CBRI on August 13, 2009, demanding payment of rent, resumption of regular operating hours and provision of required services and merchandise, including bait and fishing licenses, food service, and boat rentals. Failure to consistently provide these services is grounds for termination of the concession agreement.

CBRI has not responded and continues to fail to comply with the terms of the concession agreement. The result is a lack of the usual amenities and services available to the visitors at Lake Cachuma County Park. Numerous complaints have been received by Parks staff about the lack of expected services. On November 20th, staff was notified via e-mail that Mr. Lingham would be closing all concessions permanently pending renewal of long term lease agreement with the Bureau of Reclamation.

The boat docks, rental boats, snack bar and bait shop are owned by CBRI. The agreement provides that in the event of termination for any reason, CBRI may remove its structures, installations, facilities and stock in trade. The value of these assets, which include the boat docks, rental boats, fueling facilities and snack shop/bait store, is estimated to be between \$500,000 and \$800,000. If CBRI elects not to remove these assets, CBRI is obligated to transfer title to the County.

Performance Measure:

Fiscal and Facilities Impacts:

Budgeted: Select_Budgeted

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State			
Federal			
Fees			
Other:			
Total	\$ -	\$ -	\$ -

Narrative:

Staffing Impacts:

Legal Positions:

FTEs:

Special Instructions:

Attachments:

Authored by:

Daniel C. Hernandez 568-2461

cc:

Terri Maus-Nisich, Assistant CEO
Jeff Stone, Deputy Director Parks
Mike Ledbetter, Deputy County Counsel

