

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



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

Agenda Number:
Prepared on: 10/5/04
Department Name: Parks
Department No.: 052
Agenda Date: 10/19/04
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Terri Maus-Nisich
Parks Director

STAFF CONTACT: Mike Gibson
Business Manager (568-2477)

SUBJECT: First Amendment to Concession Agreement for Jalama Beach Store to Allow for Vacation Trailer Rental Services and to Update Insurance and Indemnification Provisions; Third Supervisorial District; Folio No. WC 0830

Recommendation:

That the Board of Supervisors execute the attached original and duplicate original first amendment to the concession agreement between the County of Santa Barbara/Parks Department and Donald B. and Kathleen A. Eittrheim, doing business as the Jalama Beach Store, to grant the right to add vacation trailer rental services to the current services they provide at Jalama Beach County Park and to update the insurance and indemnification provisions in the agreement.

Alignment with Board Strategic Plan:

The recommendation is primarily aligned with actions required by law or by routine business necessity.

Executive Summary and Discussion:

The County Parks Department has had an ongoing concession lease agreement with Donald and Kathleen Eittrheim to operate the Jalama Beach Store for approximately 26 years. The current agreement allows for the concessionaire to operate a general store for the sale of foods, beverages, supplies and related beach equipment rental at Jalama Beach County Park. There is also a snack bar where visitors can purchase hamburgers, hot dogs, fries, etc. As part of the lease agreement, the County Parks Department receives monthly rental payments equivalent to 6% of the concessionaire's monthly gross receipts.

Recently, the concessionaire has purchased several vacation trailers for the purpose of providing trailer rental service to campers at Jalama Beach. The Parks Department and the Eittreims would like to amend the concession agreement to add vacation trailer rentals to the other services provided by the Eittreims. The

trailers will be stored off site and only brought into the campground after the customer has secured a campsite and has paid all applicable camping fees at the park ranger station. In accordance with the agreement's existing rental fee provisions, the Parks Department would receive 6% of the concessionaire's monthly gross receipts from the trailer rentals.

It is therefore recommended that the Board approve an amendment to the Jalama Beach Store concession lease agreement to grant the concessionaire the right to include vacation trailer rental services as part of its operation and to update the insurance and indemnification provisions in the agreement, which have not been updated since December, 1996 (the last time the lease agreement was renewed). Language necessary to protect the County from any liability relating to the vacation trailer rentals is also included in the amendment.

This amendment will not affect the current term of the lease, which expires on October 31, 2006. All other existing terms and conditions of the concession agreement remain in full force and effect.

Mandates and Service Levels:

There are no mandates or changes in service levels.

Fiscal and Facilities Impacts:

Since trailer rentals are a new operation for the concessionaire, it is uncertain how much additional revenue will be generated for the Parks Department through the amended concession agreement. However, based on a rough estimate of \$40,000 per year in additional trailer rental revenue to the concessionaire, the Parks Department could receive as much as \$2,400 in additional annual revenue from the concession (based on 6% of the total gross receipts). This would be in addition to the annual lease revenue (approximately \$40,000) currently received from this concession. This revenue will be deposited into the Parks Department's concession revenue account – Department 052, Fund 0001, Program 0704, Project NCPJAL, Line Item Account 5661.

There is no impact to facilities.

Special Instructions:

After Board action, please distribute as follows:

1. Original executed agreement – Board file
2. Duplicate original agreement and minute order – Parks Department/Administration, Attn: Mike Gibson
3. Copy of original agreement and minute order – Real Property Services Division, Attn: Connie Smith

Subject: First Amendment to Concession Agreement for Jalama Beach Store
Agenda Date: October 19, 2004
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Concurrence:
Real Property Services
County Counsel
Risk Management
Auditor-Controller

