

**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: August 12, 2003

Department: Parks

Budget Unit: 052

Agenda Date: August 26, 2003

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: Cachuma Lake Boat Rental Concession – Consent to Transfer of Ownership;
Third Supervisorial District

Recommendation:

That the Board of Supervisors authorize the Chair to execute the attached Letter of Consent granting Cachuma Boat Rentals, Inc. the right to transfer ownership of its shares of stock, in whole or in part, to Craig L. Lingham for the boat rental concession operation at Cachuma Lake.

Alignment with Board Strategic Plan:

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

Executive Summary and Discussion:

On December 19, 1988, the County executed a concession agreement with Cachuma Boat Rentals, Inc. to provide certain services at Cachuma Lake County Park. Those services include the operation of a floating boat dock, boat rental service, bait and tackle shop, and a snack bar-type restaurant facility.

The term of the agreement was subsequently extended through December 31, 2002. The County's Master Lease Agreement with the U.S. Bureau of Reclamation expired on January 12, 2003; however, an interim agreement was executed in December 2002, whereby the term of that Master Lease Agreement was extended through January 12, 2005. Cachuma Boat Rentals, Inc. is currently holding over under the same terms and conditions as the original concession agreement.

Mr. Tom L. Lingham, Jr. executed the original concession agreement as president of Cachuma Boat Rentals, Inc. Mr. Lingham and his wife have been the active partners in the corporation and have been operating the concession business on behalf of the corporation. Over the last few years, Mr. and Mrs. Lingham's son, Craig, has had increasing responsibilities in regard to the operations of the concession at Cachuma Lake.

The concession agreement contains certain restrictions regarding assignment of the agreement, or otherwise transferring any interest in the corporation without the express consent of the Board of Supervisors. In regard to the transfer of ownership or control of the corporation, the agreement states: “The shareholder of CONCESSIONER shall not make any transfer, voluntary or involuntary, of any of the voting rights or shares of stock in said corporation without first obtaining the written consent of the Board of Supervisors, which consent by the Board of Supervisors will not be unreasonably withheld”.

Mr. and Mrs. Lingham have made a written request to the County to transfer all or a portion of the shares in Cachuma Boat Rentals, Inc. to their son, Craig L. Lingham. In support of that request, Mr. Craig Lingham has provided information regarding his experience and qualifications in regard to the operation of the concession facilities at the lake and the provision of the services contemplated in the concession agreement. His experience and qualifications include extensive education and training in the culinary field, as well as over nine years working for Cachuma Boat Rentals, Inc. in all capacities and aspects of the business.

The County Parks Department has reviewed the information provided and has determined that it would be in the best interest of the County to allow Cachuma Boat Rentals, Inc. to transfer all or a portion of the ownership and control of the corporation, including any and all shares of stock that have been issued by the corporation, to Mr. Craig L. Lingham and hereby requests that the Board provide its written consent to this transfer by way of the attached Letter of Consent to be executed by the Chair.

Mandates and Service Levels:

There are no mandates or changes in service levels associated with this action.

Fiscal and Facilities Impacts:

There are no fiscal or facilities impacts associated with this action.

Special Instructions:

After Board action, Clerk of the Board to distribute as follows:

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| 1. Copy of Letter of Consent | - Board’s Official File |
| 2. Original Letter of Consent & Minute Order | - Don Grady, Facilities Svcs. Division,
Courthouse, 2 nd Floor Annex |
| 3. Copy of Letter of Consent | - Mike Gibson, Parks Administration |

The General Services Department/Facilities Services Division will forward the signed original Letter of Consent to Cachuma Boat Rentals, Inc.

Concurrence:

General Services/Facilities Services Division
County Counsel

August 27, 2003

Mr. Tom Lingham
Cachuma Boat Rentals, Inc.
P.O. Box 287
Solvang, CA 93464

Re: Letter of Consent to Transfer Ownership in Cachuma Boat Rentals, Inc. to Craig L. Lingham

Dear Mr. Lingham:

The County Board of Supervisors, at its regular meeting held on August 26, 2003, approved and executed this Letter of Consent granting Cachuma Boat Rentals, Inc. the right to transfer all, or a portion of, the shares in Cachuma Boat Rentals, Inc. to Craig L. Lingham.

Please be advised that this consent is granted pursuant to Section 8, ASSIGNMENT AND SUBLETTING, of the CONCESSION AGREEMENT, executed December 19, 1988, between the County of Santa Barbara and Cachuma Boat Rentals, Inc. The consent granted hereunder applies only to a transfer of rights to Craig L. Lingham and does not constitute a waiver of any future rights of County under said Concession Agreement. All other terms and conditions of that Concession Agreement and any subsequent amendments thereto shall remain in full force and effect.

If you should have any questions regarding this Letter of Consent, please contact Don Grady in the General Services Department, at (805) 568-3065.

Sincerely,

Naomi L. Schwartz
Chair, Board of Supervisors
County of Santa Barbara