



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

Department Name: Community Services/
General Services
Department No.: 057/ 063
For Agenda Of: May 5, 2015
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Community Services: Renée E. Bahl, Interim Director (805) 568-3407
General Services: Matthew P. Pontes, Director (805) 560-1011
Contact Info: Ryder Bailey, Chief Financial Officer, Community Services
(805) 568-2461
Greg Chanis, Assistant Director, General Services
(805) 568-3096
SUBJECT: First Amendment to Concession Agreement with the Santa Barbara Shellfish Co.,
Inc. at Arroyo Burro Beach County Park; Second District

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Manager

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve and authorize the Chair to execute the attached original and duplicate original First Amendment to Concession Agreement between the County of Santa Barbara and Santa Barbara Shellfish Co., Inc., doing business as the Boathouse at Hendry's Beach, located at 2981 ½ Cliff Drive, in Santa Barbara, to allow Concessioner the right to use space currently used as a Men's restroom for the Arroyo Burro Beach County Park that is being converted to storage space, and allow Concessioner's repayment of past accrued utility charges over a period of two years; and
- b) Determine that the proposed action is exempt from the California Environmental Quality Act (CEQA) guidelines, pursuant to Section 15301, Existing Facilities, and approve and direct staff to file and post the attached Notice of Exemption on that basis.

Summary Text:

The Board's action to approve the First Amendment to Concession Agreement (hereinafter "First Amendment") between the County and Santa Barbara Shellfish Co., Inc., (hereinafter "Concessioner") will transfer to the Concessioner the exclusive right to use the portion of the Premises currently used as a Men's restroom to be used for storage for the restaurant, and to set forth a schedule for the repayment of

utility costs used by Concessioner at the Premises during the period July 1, 2010, through June 30, 2014 (County Fiscal Year 2010-11 through and including County Fiscal Year 2013-14).

Background:

The County is the owner of Arroyo Burro Beach County Park, located at 2981 ½ Cliff Drive, in Santa Barbara (County Assessor Parcel Number 047-092-013). County-owned improvements at the Park include a beachfront restaurant, snack bar, and patio area, collectively known as the Arroyo Burro Beach Restaurant, also referred to as the Boathouse at Hendry's Beach (hereinafter "Premises"). On February 5, 2008, the Board of Supervisors approved a ten-year Concession Agreement (hereinafter "Agreement") with the Santa Barbara Shellfish Company, Inc. to operate, manage, maintain and improve the Premises subject to the terms and conditions contained in the Agreement. Restrooms for the Park are located adjacent to the Premises, with the Men's restroom attached to the restaurant, and the Women's restroom a short distance away.

On February 10, 2015, the Board of Supervisors awarded a construction contract for the Arroyo Burro Beach Park Restroom Project. The project consists of the construction of a new 786 square foot public restroom adjacent to the existing restrooms. The existing men's restroom will be converted into storage space for use by Concessioner. Amending Exhibit B of the Agreement will reflect the new Premises area that includes the newly designated storage space as exclusive to Concessioner, and the sole responsibility of Concessioner. The existing women's restroom will remain empty until the Community Services Department concludes a Request for Proposal process to determine an appropriate use for the facility.

The original February 2008 Concession Agreement included provisions requiring the Concessioner to pay for all utility charges serving the Premises. In 2014, it was discovered the County had paid \$182,243 for utility charges for water and electricity payable by the Concessioner. Those charges are itemized on the attached statement of utility charges (Attachment 2). On January 20, 2015, the County advised the Concessioner of the utility bills and received a response with a proposed repayment schedule. The Concessioner proposes a repayment schedule as follows: \$25,000 repayment on April 1, 2015 with 23 equal payments of approximately \$6,836.67 for a total repayment time of two years. Based on discussions with the Concessioner and consideration of the significant revenue generated from the Concession Agreement, the Community Services Department agrees that a repayment schedule of two years is reasonable.

Execution of the First Amendment to Concession Agreement provides for the continued operation, repair, and maintenance of the Boathouse Restaurant, an existing public structure. The action will involve negligible expansion of use, and is not likely to have a significant environmental impact. Therefore, this project is exempt from environmental review in accordance with the California Environmental Quality Act (CEQA) Guidelines, Section 15301 – Class 1, which consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alterations of existing public or private structures, facilities, mechanical equipment, or topographical features involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination.

Fiscal and Facilities Impacts:

Budgeted: No

The \$182,243 utility repayments will be received over 24 months, spanning FY 2014-15 – FY 2016-17 and will be deposited to Fund 0001; for CSD-Parks. There will be no direct facilities impacts. CSD staff will use these unanticipated revenues for extra help positions during the heavily used summer months at Arroyo Burro and Goleta Beach County parks. Staff will submit a Final Budget Adjustment (FBA) during the June budget hearings to realize these unanticipated revenues for FY 2015-16 and will withdraw the FY 2015-16 \$40,000 expansion request for these extra help positions for the same purpose.

Staffing Impacts:

None.

Special Instructions:

After Board action, the Clerk should distribute as follows:

1. Original First Amendment to Clerk of the Board Files
2. Duplicate Original First Amendment, and copy of the Minute Order to General Services/Real Property, Attn: Ashlee Kinsella
3. Copy of Minute Order to Community Services Department, Attn: Ryder Bailey
4. Copy of First Amendment and copy of Minute Order to Auditor-Controller, Financial Reporting Division, Attn: Betsy Schaffer

Attachments:

Attachment 1 – First Amendment to Concession Agreement

Attachment 2 – Utility Charges

Attachment 3 – CEQA Notice of Exemption

Attachment 4 - Original Concession Agreement

Authored by: A. Kinsella, Agent, Real Property Division