



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: A 19-264, Version: 1

- a. Approve Amendment No. 8 to Agreement No. A-11983 with Urban Park Concessionaires dba Monterey Lakes Recreation Company, to continue provision of lake resort management services, and to extend the term for one (1) month, for a revised term of February 1, 2015 through July 31, 2019;
- b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute Amendment No. 8 to Agreement No. A-11983;
- c. Authorize execution of Amendment No. 8 to Agreement No. A-11983 without signature of the Auditor-Controller's Office; and
- d. Authorize and direct the Auditor Controller to amend the FY2019-20 Park Operating General Fund 001, Appropriation Unit RMA104 budget (001-3000-8510-RMA104-6613), by increasing Appropriations in the amount of \$148,049, funded by an increase in General Fund 001 Revenues (4675) of \$148,049 (4/5th vote required).

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve Amendment No. 8 to Agreement No. A-11983 with Urban Park Concessionaires dba Monterey Lakes Recreation Company, to continue provision of lake resort management services, and to extend the term for one (1) month, for a revised term of February 1, 2015 through July 31, 2019;
- b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute Amendment No. 8 to Agreement No. A-11983;
- c. Authorize execution of Amendment No. 8 to Agreement No. A-11983 without signature of the Auditor-Controller's Office; and
- d. Authorize and direct the Auditor Controller to amend the FY2019-20 Park Operating General Fund 001, Appropriation Unit RMA104 budget (001-3000-8510-RMA104-6613), by increasing Appropriations in the amount of \$148,049, funded by an increase in General Fund 001 Revenues (4675) of \$148,049 (4/5th vote required).

SUMMARY:

Resource Management Agency (RMA) has been diligently working towards developing an Operations/Business Plan for Lake San Antonio and Lake Nacimiento. The plan includes negotiating a long-term management agreement for Lake Nacimiento, County investment in lake facilities, and greater management and contract oversight by the Resource Management Agency (RMA). Due to the complex nature of lake operations and the transition to direct County management at Lake San Antonio, RMA is implementing the operations plan in multiple phases. Phase 1 is a short-term extension of current Agreement No. A-11983 (Agreement) with Urban Parks Concessionaires, dba Monterey Lakes Recreation Company ("Basecamp"), and completion of critical capital improvements at Lake Nacimiento.

The proposed Amendment No. 8 to the Agreement with Basecamp extends the term by one (1) month from June 30, 2019 through July 31, 2019, to allow the County additional time to negotiate the new agreement for Management Services for Lake Nacimiento under Request for Proposals (RFP) #10674.

DISCUSSION:

Monterey County Parks Department (Parks) entered into an agreement for management services at both Lakes with Basecamp (previously, "CalParks") starting May 3, 2011. The RMA Director was appointed as the Interim Parks Director effective July 1, 2016, and the agreement was set to terminate July 26, 2016, in the middle of the busy season at the Lakes. RMA requested a 2-year extension ending October 2018 (after the busy season), but that extension was limited to one year pending completion of a new RFP for a longer-term agreement.

On December 13, 2016, the Board of Supervisors (Board) approved the integration of the Parks into the RMA. With this integration, RMA assumed responsibility for most of the Parks agreements. After RMA was able to gain enough understanding of the Lake

operations, it was determined that a new RFP for long-term lake resort management services would be issued. In September 2018, after completion of the RFP process, the RMA made a tentative award to one proposer. As this tentative award is still under negotiation, RMA has negotiated a one (1) month term extension with Basecamp to provide continuity of services during this negotiation phase.

The Board asked RMA to develop an Operations/Business Plan. In January 2019, RMA presented options for Lakes operations that would help define both the agreement and the Operations Plan. RMA staff recently completed a draft "*Monterey County Lakes Operation Plan*" (Draft Plan) based on the Board of Supervisors' selected option to transition Lake San Antonio (LSA) into the County parks system and continue Lake Nacimiento operations as a resort under a third-party management agreement. The Draft Plan was released on March 20, 2019 for public input.

Following its release, the Draft Plan was presented to the community of Lockwood, Parks Ad Hoc Committee, Parks Commission, Capital Improvement Committee, and Budget Committee for review. Comments received during those presentations will be taken into consideration as the Draft Plan is finalized. Staff has identified that additional direction from the Board, as it relates to resource levels for the lakes operation, is necessary in order to finalize the Draft Plan. To obtain input, staff will be returning to the Board in the next month with three (3) tiered service level options for consideration. The options, which were presented by RMA during the budget hearings, include:

- Tier I:** no new funding/staffing results in reduced service levels (day use park, iron ranger for park fees, quagga inspection at Lake Nacimiento, minimal facility maintenance), and
- Tier II** funding/staffing to maintain current service levels (overnight camping, entry gate operations, quagga inspections, routine maintenance)
- Tier III** funding for capital improvements (RMA preparing a priority list of capital projects)

Once a preferred option has been selected, staff will complete the Draft Plan with a more refined business and operational strategy, which would align with anticipated resources. Upon its completion, the Draft Plan would be brought back to the Board for consideration.

During the routing of Amendment No. 8, the Auditor-Controller's Office (ACO) advised that a revenue audit needed to be conducted before they would sign Amendment No. 8. RMA agreed to an internal audit prior to considering the long-term agreement. However, this extension is necessary in order to maintain management of Lake Nacimiento in the interim until a long-term agreement is completed.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel-Risk Management reviewed and approved Amendment No. 8 as to form and legality. For the long-term plan, RMA is working closely with the Parks Ad Hoc Committee, including the CAO Office and Auditors Office, and also is gaining input from the stakeholders/ community.

FINANCING:

The Fiscal Year (FY) 2019-20 Recommended Budget includes \$2.8 million in appropriations for management services at Lake Nacimiento, which will fund Nacimiento's share of Amendment No. 8 extension through July 2019. There are no appropriations in the FY 2019-20 budget for Lake San Antonio (LSA), as LSA's operations were moved to the General Fund effective July 1st and budget augmentations requested by RMA were not included in the recommended budget. Staff will return to the Board in one month to present three (3) tiered service levels options for LSA with funding for consideration. Therefore, in order to fund Amendment No. 8 one-month extension, RMA is requesting an increase in appropriations of \$148,049 in the General Fund 001, Appropriation Unit RMA104 budget (001-3000-8510-RMA104-6613), funded with an increase in Revenues (4675) of \$148,049 (4/5th vote required). The estimated appropriation and revenue of \$148,049 for management services in July 2019 is based on FY 2017-18, as water levels were similar to the current year levels.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This recommendation is consistent with the Board of Supervisors' Administration Strategic Initiative by providing for the efficient and cost-effective management of County Parks.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: John Snively, Management Analyst II, (831) 759-6617

Reviewed by: Melanie Beretti, Property Administration/Special Programs Manager

Approved by: Shawne Ellerbee, RMA Deputy Director of Administrative Services

Approved by: Carl P. Holm, AICP, RMA Director

Attachments:

Attachment A-Amendment No. 8

Attachment B-Amendment No. 7

Attachment C-Amendment No. 6

Attachment D-Amendment No. 5

Attachment E-Amendment No. 4

Attachment F-Amendment No. 3

Attachment G-Amendment No. 2

Attachment H-Amendment No. 1

Attachment I-Agreement A-11983

(Attachments on file with the Clerk of the Board)