



Date: March 30, 2005

TO: Board Members - Parks and Recreation

FROM: General Manager - Parks and Recreation

**SUBJECT: Award of Non-Motorised Water Sports Concession
at English Bay**

RECOMMENDATION

- A. THAT Ecomarine Products Ltd. be granted approval to operate a non-motorised water sports concession at English Bay Beach for 2005 – 2007.*
- B. THAT no legal rights shall arise and no consents, permissions or licenses are granted hereby and none shall arise or be granted hereafter unless and until all contemplated legal documentation has been executed and delivered by all parties.*
- C. THAT once the form of all legal documentation has been approved by the General Manager and Director of Legal Services for the City of Vancouver, that the General Manager be authorized to execute and deliver such documentation on behalf of the Board.*

POLICY

The Board authorises an operator to run a water sports concession at English Bay Beach during the summer months. The specific programs and services offered must have low impact on the beach and water and on other beach and water users and must not utilise motorised craft.

BACKGROUND

There has been a non-motorised water sports concession at English Bay Beach during the summer months since 1979. In the early years, it offered mainly windsurfing. That sport declined in popularity in the 1990s and a kayak tour, rental and instruction concession has operated at this location since 1996. The concession operator has use of a room in the English Bay Bathhouse as a site office and for storage of its equipment. The operator pays the Board an annual license fee of an agreed percentage of its gross revenues. The previous operator paid the Board 20% of its gross revenues and these revenues to the Board in 2004 were approximately \$12,000.

This concession has usually been awarded for a three year term. The most recent agreement expired following the 2004 season and a Request for Proposals (RFP) was issued for an operator for the next three years, 2005 – 2007.

The Board also has a license agreement with another operator to manage a separate kayak storage space at the Bathhouse. That operator pays the Board an annual fee for the room, and rents out storage space in it directly to individual owners, many of whom are West End residents.

DISCUSSION

Request for Proposals

An advertisement for a non-motorised water sports concession operator was placed in a local newspaper, and a number of parties who run water sports businesses were contacted directly. Six companies picked up RFP information packages, four attended the site tour and two submitted proposals. Both proposed kayak tour, rental and instruction concessions and both projected relatively similar revenues. Staff met with both proponents to discuss their respective proposals.

Award of Concession

It is recommended that the concession be awarded to Ecomarine Products Ltd. (Ecomarine). This recommendation is based on a number of factors set out in the RFP, including nature of proposed services, assessment of the company's ability to deliver them, projected revenues to the Board, previous experience, resources and reputation, and other criteria considered to be relevant.

Ecomarine has significant experience in offering the types of services it proposes for English Bay. It currently operates a year-round retail and kayak rental store on Granville Island. For the past 13 years, it has also run a summer rental, tour and instruction operation at Jericho Sailing Centre. It has a pool of experienced and qualified staff to draw on. It has an existing customer base, community programming and a marketing strategy which would be extended to include the English Bay operation. The other proponent's proposed operations at English Bay would be more of a start-up situation. It currently has no waterfront operations, offers pool and classroom-based lessons, longer term kayak rentals and sells tours run by other operators.

Ecomarine has projected total gross revenues over the three year term of approximately \$300,000. It will pay the Board a fee of 20% on the first \$80,000 in annual gross revenues and 15% on any balance over that amount. Based on its projections, this should result in an annual fee of approximately \$19,000. The other proponent offered a flat 20% fee on relatively similar projected revenues. However, given that Ecomarine has a well established operation, it is felt that, of the two proponents, its projected revenues are more likely to be met or exceeded.

Comments received on Ecomarine emphasized its commitment to safety, its sensitivity to other beach and water users and to the environment, its professionalism and its excellent reputation in the water sports business.

At its m on March 21, 2005, the Finance Committee discussed the proposed award of the concession to Ecomarine and adopted a motion to recommend it to the Board for approval.

SUMMARY

Ecomarine has met the required conditions of the RFP and has the experience and resources to provide a high quality water sports concession at English Bay.

Prepared by:
Stanley District
Board of Parks & Recreation
Vancouver, BC
AD