



Date: July 30, 2003

TO: Board Members - Parks and Recreation
FROM: General Manager - Parks and Recreation
SUBJECT: NON-MOTORISED WATER SPORTS CONCESSION AT ENGLISH BAY

RECOMMENDATION

- 1) THAT Ocean West Expeditions Ltd. be granted approval to operate a non-motorised water sports concession at English Bay Beach for the years 1999 - 2001, subject to conditions satisfactory to the General Manager.
- 2) THAT no legal rights shall be created by the passage of these resolutions and none shall arise hereafter except by the signing of the contemplated documents.

BACKGROUND

At its meeting on April 1, 1996, the Board granted approval to Ocean West Expeditions to operate a non-motorised water sports concession at English Bay Beach, from 1996 - 1998 inclusive. During those three years, Ocean West has been operating a kayak tour, rental and instruction concession at this location and has had use of a room in the Bathhouse for storage of its equipment.

The Board also granted approval to another operator for a windsurfing concession, for 1996 only, to be extended for 1997 and 1998 subject to satisfactory performance. There had been a windsurfing concession at English Bay since 1978; however, in its last few years of operation, revenues had declined. That concession was not renewed after the 1996 season, due to non-compliance of the operator with Board requirements. No other operator has been sought to replace him, because of issues concerning accessibility to the space which was being used for his equipment storage.

DISCUSSION

An advertisement for a non-motorised water sports concession operator was placed in the Vancouver Sun, and a number of parties who had previously indicated an interest in this concession were also contacted by staff. Information was provided to five prospective operators and two of them submitted proposals.

Ocean West's proposal would involve little change from its existing operations. No additional expenditure by the Board on the premises would be required.

The other proposal, submitted by Chris Manuel of Whistler Sailing & Water Sports Center Ltd., would offer more water craft, with more choice of activities, but the scale of the proposed operation is considered excessive for this busy beach area. In addition, there are subjects included in this proposal which would require expenditures by the Board which are either not financially feasible, or are not appropriate at this location.

Of the two proposals received, the one from Ocean West offers the potential of higher revenues to the Board. For the three year period, if Ocean West realises its projected revenues, payments to the Board would be a total of \$31,000. Based on the trend of increased gross revenues in each of Ocean West's three previous years of operating at this location, it is not unreasonable to assume that these projected revenues will be achievable. This compares to a total fixed fee, for the three years, of \$18,000 in Mr. Manuel's proposal.

JUSTIFICATION

Ocean West has been a good operator, is very safety conscious and has worked well with staff and the public.

While Ocean West's proposal offers less choice of water craft to users than Mr. Manuel's, the size of its operation is more appropriate for the location at English Bay Beach. Projected net revenues to the Board are also higher with the Ocean West proposal.

Prepared by:

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AD