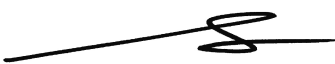




**EAST BAY REGIONAL PARK DISTRICT  
BOARD OF DIRECTORS MEETING  
AGENDA STAFF REPORT**

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<b>DATE</b>	February 20, 2024
<b>TITLE</b>	Authorization To Execute an Agreement with Kheystone Management Company at Las Trampas Wilderness Regional Preserve
<b>DIVISION</b>	Operations
<b>FROM</b>	Ruby Tumber, Acting Business Services Manager Lisa Goorjian, AGM of Operations
<b>APPROVED</b>	Sabrina Landreth, General Manager 

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**RECOMMENDATION**

The General Manager recommends that the Board of Directors grant authorization to execute an agreement with Kheystone Management Company as concessionaire of the Las Trampas Stables Concession with a three-year term beginning March 1, 2024, with the possibility of a seven-year extension at the Park District's sole discretion. Expected revenue is up to \$20,000 per year based on a percentage of gross receipts.

**BACKGROUND**

The Las Trampas Stables Concession ("Concession") is part of Las Trampas Wilderness Regional Preserve ("Las Trampas"), located in Bollinger Canyon above Bollinger Creek, east of Rocky Ridge. The Concession has provided a full-service equestrian facility for the public, including but not limited to, horse boarding, group and individual instruction for adults and youth and other programs complementary to an equestrian concession (e.g., horse shows and clinics, educational, instructional, and other services consistent with an equestrian concession.)

The Concession has a 40-stall boarding barn and a horse shelter with up to 8 stalls as well as a hay barn, shavings barn, manure bin, an indoor arena, an outdoor arena, and a meeting room/storage area, almost entirely surrounded by open space. The Concession includes a modular house and a trailer to ensure a 24-hour onsite presence. The Concession also includes customer parking spaces and an area for horse trailers with a large barn for extra storage. The Concession does not include any equipment.

The concessionaire arranges for day-to-day operation and maintenance of the Concession, including preventative maintenance and corrective maintenance, but excluding any capital maintenance of major components of the building or building systems that have failed or reached the end of their useful life.

On July 1, 2023, the Park District received a 30-day notice of departure from the prior concessionaire. Due to the termination of the prior contract, staff engaged in direct negotiations with Kheystone Management Company (“Kheystone”) for the interim operation of the Concession to continue care and board for the horses at Las Trampas Stables. The intention was to enlist an interim operator until a formalized process could instate a permanent one. The Park District signed a short-term operating agreement with Kheystone.

On October 13, 2023, the Park District advertised a Request for Proposal (RFP) seeking an experienced concessionaire to operate the Concession. The RFP included requirements for the concessionaire to provide high quality equestrian programs for the general public in order to maximize the public benefit of this concession and to reach a broader audience in addition to the borders. These programs could be either individual or small groups and/or “summer camp” environments that catered to the varying abilities and comfort levels of the public. All trainers would be required to meet the necessary insurance requirements. The Park District sought proposals that demonstrated how a potential operator would maximize public usage of the concession, especially to a culturally and socio-economically diverse public.

Per the agreement, the concessionaire will be allowed to keep one personal horse at this stable free of charge. The Park District will also allow up to a maximum of twelve (12) school horses to reside on premises in exchange for collecting a concession fee and concession maintenance fee on all income activities generated by all school horses with gross receipts submitted under Lessons. The agreement also provides the option to board up to four (4) Park District horses from the mounted unit at cost (no boarding fee for 2 stalls or open pasture). The concessionaire and the Park District will agree to work collaboratively to balance the needs of the Park District, the concessionaire, students, and borders of the Concession with the goal of maximizing public access and usage of the Concession.

## **ANALYSIS**

To offer open competition to the public, the RFP was posted on the Park District’s website, social media, and a government agency RFP advertisement website, and was also sent directly to twenty stables and interested parties. These efforts resulted in submittals from Kheystone, Trilogy Equestrian Services, LLC., and Saddle-Up Academy. Staff interviewed all three proposers to determine how they would best accomplish the defined requirements, expectations, details of proposed fees and expenses, and their proposed business plan if awarded the agreement.

After careful consideration and review of the proposals and responses to panel interview questions, the panel determined that Kheystone was the top choice. The General Manager recommends that the Board of Directors award the Las Trampas Stables Concession Agreement at Las Trampas to Kheystone and authorize execution of the Agreement. The basis of the award is centered on the evaluation of Kheystone’s proven ability at another Park District concession to reach the required level of revenue, previous and proposed quality and quantity of service, years in business, capability to provide services throughout the term, and proposal to maximize public access and usage of the concession. The fact that Kheystone possesses demonstrated experience in working with a public agency to operate a concession was a significant factor in staff’s selection of Kheystone.

Staff is aware some members of the public have made complaints about Kheystone in the areas of pricing, safety and Kheystone’s business and labor practices. The Park District has reviewed these complaints and will continue to review any future complaints. To the extent complaints arise from matters within Kheystone’s purview, as opposed to the Park District’s, the Park District has not

determined that any of the complaints merit taking action against Kheystone based on the terms of its current concession agreements with the Park District or disqualify Kheystone for future contracts with the Park District. The Park District, however, has and will continue to ensure Kheystone complies with the terms of its agreements and will emphasize to Kheystone the need for professionalism and effective communication with its boarders and the public it serves. Should individuals complain to State regulatory agencies, the Park District will fully cooperate with any investigations.

### **FISCAL IMPACT**

Based on projected gross receipts from the concessionaire, the Park District can expect annual concession fee revenue of \$20,000 (5%) and \$20,000 (5%) to be set aside in the Concession Maintenance Fund. There will be no cost to the Park District for this action except for any unknown cost of maintenance or repairs to the property not covered by the concessionaire or the Concession Maintenance Fund.

### **ATTACHMENTS**

None.



**EAST BAY REGIONAL PARK DISTRICT  
RESOLUTION NO. 2024 – 02 -  
FEBRUARY 20, 2024**

**AUTHORIZATION TO EXECUTE AN AGREEMENT WITH KHEYSTONE  
MANAGEMENT COMPANY AT LAS TRAMPAS WILDERNESS REGIONAL  
PRESERVE**

**WHEREAS**, Las Trampas Stables concession, a 48-stall boarding facility, has provided a full-service equestrian facility for the public, including but not limited to, horse boarding, group and individual instruction for adults and youth and other programs complementary to an equestrian concession; and

**WHEREAS**, on July 1, 2023, the Park District received a 30-day notice of departure from the prior concessionaire and staff engaged in direct negotiations with Kheystone Management Company (“Kheystone”) for the interim operation of the concession, and entered into a short-term operating agreement with Kheystone; and

**WHEREAS**, to offer open competition to the public, a Request For Proposals (“RFP”) was advertised on October 13, 2023 with a posting on the Park District’s website, social media, and a government RFP advertising website, and was also sent directly to twenty stables and interested parties; and

**WHEREAS**, in response to its RFP, the Park District received submittals from Kheystone, Trilogy Equestrian Services, LLC., and Saddle-Up Academy; and

**WHEREAS**, on January 29, 2024, the Board Operations Committee considered staff’s recommendation of Kheystone, and determined to forward the staff recommendation to the full Board without a recommendation from the Committee;

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Directors of the East Bay Regional Park District hereby awards to Kheystone Management Company the concessionaire agreement for the Las Trampas Stables concession and authorizes the General Manager to execute an agreement with a three-year term beginning March 1, 2024, with the possibility of a seven-year extension at the Park District’s sole discretion, with expected revenue up to \$20,000 per year based on a percentage of gross receipts as presented to the Board on February 20, 2024; and

**BE IT FURTHER RESOLVED**, that the General Manager is hereby authorized and directed, on behalf of the Park District and in its name, to execute and deliver such documents and to do such acts as may be deemed necessary or appropriate to accomplish the intentions of this resolution.

Moved by Director , and seconded by Director , and  
adopted February 20, 2024, by the following vote:

FOR:

AGAINST:

ABSTAIN:

ABSENT: