



**EAST BAY REGIONAL PARK DISTRICT
OPERATIONS COMMITTEE
AGENDA STAFF REPORT**

DATE	January 29, 2024
TITLE	Authorization To Execute An Agreement with Kheystone Management Company at Las Trampas Wilderness Regional Preserve
DIVISION	Operations
FROM	Ruby Tumber, Acting Business Services Manager Lisa Goorjian, AGM of Operations
APPROVED	Sabrina Landreth, General Manager

RECOMMENDATION

Staff recommends that the Board Operations Committee approve and recommend to the full Board the selection of Kheystone Management Company as concessionaire of the Las Trampas Stables Concession with a three-year term beginning March 1, 2024, and a possible seven-year term 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 down the road 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 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 institute a permanent one.

On October 13, 2023, the Park District announced a Request for Proposal (RFP) for 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 boarders. 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 and social media, a government agency RFP advertisement website, and sent directly to twenty Stables and interested parties resulting in three submittals from Kheystone Management Company, 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 response to panel interview questions, District staff recommends that the Board Operations Committee approve and recommend to the full Board the award of the Las Trampas Stables Concession Agreement at Las Trampas to Kheystone Management Company (“Kheystone”). The basis of the award is centered on the evaluation of Keystone’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, as well as an established working relationship with Park District staff.

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