



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 5/9/2017
Agenda Placement: 6AA

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Alice Hughey for Leanne Link - County Executive Officer
County Executive Office

REPORT BY: Molly Rattigan, Deputy County Executive Officer - 253-4112

SUBJECT: Amendment to Agreement with Ragatz Realty

RECOMMENDATION

County Executive Officer requests approval of and authorization for the Chair to sign Amendment No. 1 to Agreement No. 170664B-17 with Ragatz Realty (formerly Ragatz Sedgwick Realty) increasing the amount by \$85,000 for a new maximum of \$135,000, extending the term through December 31, 2018, and amending the scope of work to include additional feasibility analysis services for concessionaire management at Lake Berryessa and addition of the option to seek the identification of eligible bidders upon determination to proceed by the County.

EXECUTIVE SUMMARY

Today's action requests an amendment to the agreement with Ragatz Realty to increase the agreement by \$85,000 for additional exploratory work to finalize concession opportunities that exist at Lake Berryessa and have the option to move to Phase II and complete a Request for Information for viable concessionaires. This work is necessary for the County to appropriately analyze whether entering into a Managing Partner Agreement with the Bureau of Reclamation to manage the concessionaire contracts at Lake Berryessa is prudent.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Housing and Intergovernmental Affairs
Is it Mandatory or Discretionary?	Discretionary

Discretionary Justification:	This item is discretionary in that there is no mandate to enter into a Managing Partner Agreement with the Bureau of Reclamation. The County is exploring the potential to assume responsibility of the Lake Berryessa concession areas and this agreement will assist the County in analyzing whether it can be successful in this effort.
Is the general fund affected?	Yes
Future fiscal impact:	The agreement will be extended to December 31, 2018. Appropriations will be budgeted accordingly.
Consequences if not approved:	If this item is not approved, the County will lack the resources to effectively evaluate whether it can be successful with a Managing Partner Agreement for concessions at Lake Berryessa.
Additional Information:	

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

On June 21, 2016, the Board of Supervisors directed staff to enter into negotiations for a Managing Partner Agreement between the County and the Bureau of Reclamation (BOR). BOR has the ability to enter into a Managing Partner Agreement with a non-federal partner for concession management. Under a Managing Partner Agreement, the responsibility to develop and manage public recreation areas is transferred to the partner agency. While there are federal policies and guidelines on how management agreements can be structured, items within the agreement are generally negotiable. The responsibilities and requirements of each agency are outlined in the agreement and, while BOR would retain oversight, the partner agency would assume responsibility for bidding and awarding third-party agreements to provide concession-related services and facilities.

Staff began negotiations with the BOR and quickly learned that it was difficult to negotiate a fair and accurate agreement when the type and interest of concessions are unknown. On December 6, 2016, the Board of Supervisors entered into a Memorandum of Understanding (MOU) with the Bureau of Reclamation to gauge the commercial interest in Lake Berryessa and determine if the types and scope of recreation opportunities are of interest to potential developers and viable under federal, state and local policies and laws. Under this MOU, the County, at its own expense and authority, will develop a Request for Information/Interest (RFII) in Lake Berryessa concessions. The results of the RFII will determine whether the County can identify viable concessions partners within the uses identified in the Lake Berryessa Visitor Services Plan and negotiate the Managing Partner Agreement based on the interest generated. Entering into this MOU does not commit the County or the BOR to a Managing Partner Agreement.

Also on December 6, 2016, the Chair signed an agreement with Ragatz Sedgwick Realty (now Ragatz Realty) in the amount of \$50,000. Ragatz Realty was selected through a Request for Proposal process for its knowledge and experience in developing hotels, resorts and other recreational opportunities worldwide. Under this agreement, Ragatz Realty was contracted to identify concession opportunities at Lake Berryessa.

Today's action requests an amendment to the agreement with Ragatz Realty to add \$20,000 to the exploratory

phase of the agreement to finalize concession opportunities that exist at Lake Berryessa. The reason for this increase is that the current state of the concession areas is more complicated than originally known and requires additional analysis of the infrastructure needed to create concession opportunities.

The work completed to date is promising and County staff is also proposing the addition of Phase II to the agreement. Phase II would allocate \$65,000 for the creation and marketing of a Request for Information/Interest to identify interested and viable concessionaires. Phase II would only commence upon approval by the Board of Supervisors in a report to be presented in the Summer of 2017. Ragatz Realty has connections to the market of resort and recreation providers that the County and BOR do not. Additionally, Ragatz Realty has the experience and expertise to advise the County on the financial viability of the interest in operating a concession at Lake Berryessa. Narrowing down and marketing the opportunity to concessionaires would be the next step in moving forward with a Managing Partner Agreement and effectively negotiating such agreement with the BOR.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Carlos Solorio