
CITY OF KELOWNA
MEMORANDUM

Date: April 10, 2003
File No.: 5880-20

To: City Manager

From: Civic Properties Manager

Subject: Lease Operation of Beach Concessions

RECOMMENDATION

THAT City Council instruct Staff to finalize a lease with RG Properties Ltd. (Skyreach Place) to operate the beach concessions at Tugboat Bay, City Park Pavilion, Hot Sands Beach and Gyro Park;

AND THAT the Mayor and City Clerk be authorized to sign the lease.

BACKGROUND

The City has four beach concessions as noted above. For the last two years, RG (Skyreach) has operated the concessions at Tugboat Bay, City Park Pavilion, and Hot Sands Beach. The concession at Gyro Park was operated by another concessionaire who has since gone out of business. This year the tender for all four concessions were lumped together to provide consistency of service. The lease offered is for the 2003 season (May 15th to September 15th) term with an optional extension for a second term (2004) by mutual agreement. Two tenders were received, one from an Alberta firm and the second from RG Properties doing business locally as Skyreach Place. Both parties tendered the same seasonal lease amount of \$30,000. While the dollar income to the City is the same from each party it's noted that the Alberta firm has considerably less experience than of Skyreach. Comparative menu items offered were looked at and there was little difference in the pricing offered. A further review of the concession items shows Skyreach presented a larger selection of products to be offered to the public. It is staff's recommendation that the concession contract be awarded to RG Properties Ltd.

Jim Waugh
Civic Properties Manager

cc: Director of Parks and Leisure Services
Deputy Director of Finance
Parks Manager

