



Agenda Item No. (3)

To: Building and Operating Committee/Committee of the Whole
Meeting of March 23, 2017

From: James P. Swindler, Deputy General Manager, Ferry Division
Denis J. Mulligan, General Manager

Subject: **AUTHORIZE EXECUTION OF A CONCESSION AGREEMENT
RELATIVE TO REQUEST FOR PROPOSALS NO. 2017-FT-01,
CONCESSION SERVICES ONBOARD DISTRICT FERRIES, WITH S&P
CONCESSIONS**

Recommendation

The Building and Operating Committee recommends that the Board of Directors authorize execution of a Concession Agreement with S&P Concessions, San Francisco, CA, relative to Request for Proposals (RFP) No. 2017-FT-01, *Concession Services Onboard District Ferries*, generating revenue in the amount of \$190,000 per year or 14.7% of gross sales (excluding sales tax), whichever is greater, for a three-year term, with two one-year option terms, exercisable at the Golden Gate Bridge, Highway and Transportation District's sole discretion.

This matter will be presented to the Board of Directors at its March 24, 2017 meeting for concurrence.

Summary

The Golden Gate Bridge, Highway and Transportation District (District) contracts for concession services for passengers onboard District ferries based on a five- to six-vessel schedule. The concessionaire will provide and serve a variety of hot and cold foods, beverages, including alcoholic beverages, and sundries onboard the ferries.

On October 11, 2016, the District issued RFP No. 2017-FT-01, *Concession Services Onboard District Ferries*. The RFP was posted on the District's website, and notice of the RFP was sent to five potential proposers. Proposals were received from the following firms by the submission deadline date of November 10, 2016:

1. S&P Concessions, San Francisco, CA
2. Nonpareil Ventures, LLC, San Rafael, CA

A Selection Committee composed of District staff reviewed and evaluated each proposal based upon the following criteria:

- Qualifications and Experience – 0 - 20 Points
- Proposed Operating Plan – 0 - 40 Points
- Financial Capacity – 0 - 10 Points
- Annual Concession Fee to be Paid to the District – 0 - 30 Points

S&P Concessions' proposal was the only proposal in the competitive range, and the firm was invited to participate in an interview.

Based on the written proposal, interview and reference checks, the Selection Committee recommended S&P Concessions for contract award. They have over 20 years of experience providing concession services on ferries. S&P Concessions is the current Golden Gate Ferry concessionaire. In addition to Golden Gate Ferry, S&P Concessions is the current concessionaire for the Blue and Gold Fleet, and has been providing this service since 1999. Prior to operating S&P Concessions, both principals of the company have managed the day-to-day operation of ferry concessions since 1975. S&P Concessions is familiar with and understands the demands and special circumstances associated with operating a ferry concession, such as vessel breakdown, vessel switching and dry docking.

Additionally, as required by the RFP, S&P Concessions has agreed, within eight (8) months of executing this Contract, to install and implement a POS (Point of Sale) System, consistent with District requirements, so as to ensure that the District can audit sales and purchases of goods.

Staff, District's Attorney, and the DBE Program Analyst have all reviewed the proposals and find that the highest ranked firm properly has submitted all required documents, and its proposal is technically responsive to the specifications.

Since there were no subcontracting opportunities for this Contract, there were no DBE forms required for submittal. The DBE Program Analyst has determined that the firm is not a certified DBE. Therefore, no DBE participation is anticipated during the performance of this Contract.

Fiscal Impact

The Ferry Division will receive \$190,000 per fiscal year or 14.7% of gross sales (excluding sales tax), whichever is greater. Payment will be received on a monthly basis. The Ferry Division operating revenue budget will be adjusted accordingly for subsequent years.