

**CITY OF SAN ANTONIO  
INTERDEPARTMENTAL MEMORANDUM  
PARKS AND RECREATION DEPARTMENT**

**TO:** Mayor and City Council

**FROM:** Malcolm Matthews, Director, Parks and Recreation Department

**THROUGH:** Terry M. Brechtel, City Manager

**COPIES:** Christopher J. Brady; Finance; Department of Asset Management; Office of Management and Budget; Legal; File

**SUBJECT:** Staff Briefing on the River Barge Concession Request  
for Proposals

**DATE:** June 3, 2004

**SUMMARY AND RECOMMENDATIONS**

Staff will provide a briefing on the River Barge Concession Request for Proposals.

No action by City Council is required at this time.

**BACKGROUND INFORMATION**

The public's access to boat tours of the San Antonio River has been a significant aspect of the City's visitor market. Because of the type of business operation needed, the City has utilized a contracted concessionaire responsible for the provision of boats, staff and services. The City, in turn, receives substantial revenue for this public service contract.

Prior to 1985, Bill Lyons' Paseo del Rio Boats operated a barge concession. In 1985, the City issued a Request for Proposals (RFP) and City Council selected Paseo del Rio Boats as concessionaire for a ten year term. In December 1994, the City issued a RFP for the Boats and Barges Concession. In March 1995, the City Council selected Yanaguana Cruises, Inc. (YCI) ten year term. YCI was sold and changed its operating name to Rio San Antonio Cruises in 2003, with the corporation name remaining Yanaguana Cruises, Inc. This contract expires on August 31, 2005.

The San Antonio River barge operation is the best practice for downtown river barge operations. Certain factors contribute to San Antonio's success, including the ability to control water levels, physical environment and project scale, public and private investment,

historic preservation and commercial development controls, ability to expand and a thriving downtown. Because of these factors, City staff will model the RFP on the current operating parameters. Staff will review the key business points developed for the RFP. Highlights of the presentation will include:

- Description of concession scope
- Term
- Financial consideration minimums
- Minimum standards of operation
- RFP evaluation criteria
- Proposed timeline

With direction from City Council, the RFP will be advertised on June 14, 2004 and will close on September 10, 2004. At that time, the RFPs will be reviewed and evaluated by the Evaluation Committee.

### **POLICY ANALYSIS**

The River Barge Concession Request for Proposals has been determined to be a high-risk contract, due to the public interest and financial revenue amount associated with the contract. The RFP is being developed and issued by City staff following all the standard City criteria for such actions.

### **FISCAL IMPACT**

There is not a financial impact associated with this presentation. Continuation of a barge concession will generate approximately \$3.3 million annually to the City's General Fund.

### **COORDINATION**

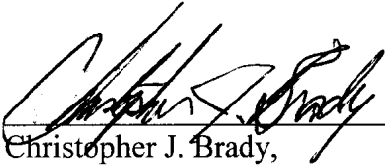
Staff has included the local destination management companies, representatives from River Walk restaurant operators and a representative from the River Center Mall management in discussions in preparation for the RFP, in addition to several City departments and related agencies, including Parks and Recreation Department, Department of Asset Management, Convention and Visitors Bureau, Convention Facilities, Finance Department and the City Auditor.

**SUPPLEMENTARY COMMENTS**

An Ethics Ordinance Disclosure Statement is not required for this presentation.

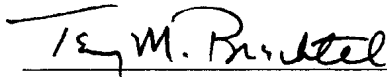


Malcolm Matthews,  
Director of Parks and Recreation



Christopher J. Brady,  
Assistant City Manager

Approved:



Terry M. Brechtel  
City Manager