

CITY OF PALM DESERT STAFF REPORT

MEETING DATE: December 14, 2023

PREPARED BY: Shawn Muir, Community Services Manager

REQUEST: EXTEND CONTRACT WITH YMCA FOR MANAGEMENT OF THE PALM
DESERT AQUATIC CENTER FOR AN 18-MONTH TERM

RECOMMENDATION:

1. Approve Amendment No. 6 to extend Contract No. C36620 with the Family Young Men's Christian Association of the Desert ("YMCA") of Palm Desert, California, for management and staffing of the Palm Desert Aquatic Center for an 18-month term in the amount of \$100,210 plus reimbursement of additional costs included in the agreement in the amount of \$880,069 for a total amount not to exceed \$980,279 for FY2023/24.
2. Authorize the Mayor to execute said amendment.

Funds have been included in the 2023/24 Budget in the Aquatic Center Special Revenue Fund Account numbers as referenced in the fiscal analysis. Funds for FY 2024/25 will be included in the forthcoming budget process.

BACKGROUND/ANALYSIS:

In January 2018, the City issued a Request for Proposals (RFP) for management of the Palm Desert Aquatic Center. A competitive bidding process was conducted resulting with the award of Contract No. C36620 to the Family YMCA of the Desert for a one-year term with an option to renew every year until June 30, 2023. All renewals were completed, and Amendment No. 4, which was awarded on April 14, 2022, expired on June 30, 2023.

An RFP for a new Management and Operations contract was issued in November 2022 but resulted in the rejection of the proposals in favor of revising the scope of work for the contract. Amendment No. 5 was approved to extend the contract through December 31, 2023. A second RFP process was conducted beginning in August 2023; however, those bids were rejected during the November 16, 2023, City Council meeting due to a desire to further refine roles and responsibilities, key performance indicators, reporting requirements within the agreement and permit each party to reset expectations.

Staff has negotiated changes to the contract terms with the YMCA and both parties agree with the updated scope. Staff recommends approval of Amendment No. 6 to extend Contract No. C36620 with YMCA.

Legal Review:

This report has been reviewed by the City Attorney's office.

Strategic Plan:

City of Palm Desert
 Extend PDAC Management Contract

High quality facility management and staffing at the Palm Desert Aquatic Center (PDAC) sustains one of the City’s premier recreational facilities. The proposed action will further the goals of the Strategic Plan by providing pervasive recreation opportunities for residents and visitors.

FINANCIAL IMPACT:

The costs associated with the contract extension and operational costs are included in the Aquatic Center budget for Fiscal Year 2023-24. The YMCA is requesting a management fee of \$100,210 for January 1, 2024 through June 30, 2024. For FY 2024-25, a fee of \$210,442 is being requested and subject to appropriation of funds in that year. Management fees will be paid by the City monthly. The estimated 6-month costs for this extension have been accounted for in FY 2023-24, as follows:

<i>FY 2023-24</i>	Account #	Budget	Jul-Dec 2023	Jan-Jun 2024	Balance
<i>Management Fee</i>	2424549-4309300	\$352,050	\$82,500	\$100,210	\$169,340
<i>Contracted Labor</i>	2424549-4802101	\$1,637,500	\$762,569	\$762,569*	\$112,362
<i>Food / Merchandise</i>	2424549-4801100	\$40,000	\$20,000	\$20,000*	\$0
<i>Supplies</i>	2424549-4219000	\$20,000	\$10,000	\$10,000*	\$0
<i>Other Expenses</i>	2424549-4309000	\$175,000	\$87,500	\$87,500*	\$0
	TOTAL	\$2,224,550	\$962,569	\$980,279	\$281,702

*Budgeted amount

ATTACHMENTS:

1. C36620 Amendment No. 6
2. Exhibit A - Scope of Work
3. C36620 - Executed Agreement