

Interim County Executive

Steven C. Szalay



County of Sacramento

Board of Supervisors

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Media Advisory

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Contact: Chris Andis, PIO, 916-874-2691

andisc@saccounty.net

Sacramento County Moving Ahead on Gibson Ranch Contract

Sacramento, CA., -- The Sacramento County Board of Supervisors voted 4-1 to continue negotiations with Gibson Ranch LP and Doug Ose for the operation of Gibson Ranch. The negotiated contract will be brought back to the Board for final approval.

"We are negotiating a public-private partnership that will allow us to provide park services in a cost effective way, remain consistent with the long-term vision for the Gibson Ranch Master Plan, and get the Park open for the people in the community," said Interim County Executive Steve Szalay. "It's a win-win for the people of Sacramento."

Background:

On June 21, 2010, the County issued a Request for Proposal (RFP) for a park operator and received one response. A Selection Advisory Committee reviewed the Response and recommended that the proposal be rejected.

On November 9, the Board of Supervisors voted to reject the proposal, and directed staff to work towards reissuing a new RFP, and directed Interim County Executive to negotiate with Gibson Ranch LP.

Three choices were presented to the Board, and they approved option #3:

1. Maintain current situation - at an annual net cost of \$211,755
 - Park is only open to the public summer weekends through Labor Day
 - There is minimal maintenance and limited security patrol
2. Re-Issue a New Request For Proposal (RFP)
3. Negotiate Lease with Gibson Ranch LLC
 - Ten Year Agreement with a five year extension
 - County retains right to cancel with buyout payment
 - Lease Payment – one dollar per year
 - Lessee finances programs and services
 - Profits split 90% Lessee, 10% County.

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- All Lessee profits applied to past losses/investments.
- If profits equal past losses/investments, Lessee is limited to a 15% return on investment.
- Once breakeven point plus 15% return is reached, profit is split 50/50.
- Contribute \$100,000 annually for five years to deferred maintenance and special projects
- Review and approve programs and services for consistency with Master Plans
- Conduct annual financial audit
- Review and approve physical improvements required for programs and services
- Conduct regularly scheduled and drop-in visits to the Park
- Develop baseline conditions of buildings and facilities
- Invest County share of revenue in the Regional Park system

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