TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER DEPARTMENT: COMMUNITY SERVICES

DATE: JUNE 24, 2002 CMR: 292:02

SUBJECT: AGREEMENT WITH SKYHAWKS SPORTS ACADEMY FOR RECREATION YOUTH SPORTS CONTRACT CAMPS

RECOMMENDATION
Staff recommends that Council approve and authorize the Mayor to execute the attached agreement with Skyhawks Sports Academy for $180,000 to provide revenue-producing youth sports camps on a contract basis.

BACKGROUND
The Recreation Division utilizes many contractors who provide a variety of services and programs for the community. Fees for these programs are reviewed and approved by the City Council. Should registration for any of these activities fall short of the minimum required enrollment, the activity is canceled. Any fee collected for a canceled activity is returned to registrants, with no payment to the contractor.

DISCUSSION
Skyhawks Sports Academy provides and compensates instructors for a variety of sports camps conducted primarily during the summer. Program participants in the Skyhawks Sports Camps are expected to exceed 1,400 during 2002-2003.

The Palo Alto Municipal Code (PAMC 2.30.140) allows sole source agreements when services are only available from one provider. Although staff continues to investigate the market in the Mid-Peninsula area, staff is aware of no other person or group with the specialized skills and knowledge to provide these specific services.

ALTERNATIVES TO STAFF RECOMMENDATION
The only viable alternative is to conduct the program with City staff. This would require an undetermined amount of salary and supply dollars to be added to the budget. This option would not be as cost effective as the present contract arrangement.
RESOURCE IMPACT
The $180,000 expenditure is anticipated to achieve a 131 percent recovery of direct costs by producing revenue of $230,000. Funding of $180,000 for this contract is included in the Proposed City Managers 2002-2003 Budget.

POLICY IMPLICATIONS
This report does not represent any change to existing City policies.

TIMELINE
If approved, the contract would be implemented July 1, 2002 and continue in effect through June 30, 2003.

ENVIRONMENTAL REVIEW
Adoption of the attached contract is not subject to the California Environmental Quality Act (CEQA) under Section 15061(b)(3) of the CEQA Guidelines.

ATTACHMENTS
Attachment A: Agreement with Skyhawks Sports Academy

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