

SUMMARY OF PROPOSED FLOOR DRAFT:

Resolution 23-99

AUTHORIZING THE DIRECTOR OF THE DEPARTMENT OF BUDGET AND FISCAL SERVICES OR THE DIRECTOR'S DESIGNEE TO ENTER INTO CONCESSION AGREEMENTS FOR UP TO TEN (10) YEAR TERMS TO PROVIDE FOOD AND BEVERAGE SERVICES AT SIX (6) CITY-OWNED FACILITIES MANAGED BY THE DEPARTMENT OF ENTERPRISE SERVICES.

The PROPOSED FD1 makes the following amendments:

- A. Amends the title and the body of the resolution to conform to current drafting standards for the purposes of consistency and style.
- B. Makes miscellaneous technical and nonsubstantive amendments.



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. **23-99, FD1**

Proposed

RESOLUTION

AUTHORIZING THE DIRECTOR OF BUDGET AND FISCAL SERVICES OR THE DIRECTOR'S DESIGNEE TO ENTER INTO CONCESSION AGREEMENTS FOR TERMS OF UP TO 10 YEARS TO PROVIDE FOOD AND BEVERAGE SERVICES AT SIX CITY-OWNED FACILITIES MANAGED BY THE DEPARTMENT OF ENTERPRISE SERVICES.

WHEREAS, the City and County of Honolulu ("City") intends to release solicitations to request sealed bids for concession agreements to manage City-owned facilities in accordance with Section 102-2, Hawaii Revised Statutes, for the following six facilities: Pali Golf Course Restaurant, Ewa Villages Golf Course Restaurant, West Loch Golf Course Restaurant, Makalena Golf Course Convenience/Pro Shop, Ala Moana Regional Park Food Stands, and Kapiolani Park Beach Center Food Stand; and

WHEREAS, the City, through its Department of Enterprise Services ("DES") and its Department of Budget and Fiscal Services, plans to issue solicitations to seek bids from qualified entities to enter into concession agreements with terms not to exceed 10 years to manage and operate food and beverage services and any other services incidental thereto at the six City-owned facilities under separate agreements; and

WHEREAS, the Department of Parks and Recreation has no objections to the solicitation of bids for the above-referenced concessions in parks; and

WHEREAS, Section 38-4.1(1), Revised Ordinances of Honolulu 2021 ("ROH"), permits the City Council ("Council") to authorize by resolution the leasing or renting of property of the City, including concession agreements, for a period longer than five years when deemed necessary in the public interest and: (1) when the lessee/tenant or concessionaire is required by the terms of the proposed contract to expend the sum of \$25,000 or more for capital assets, or (2) to provide for the renovation or maintenance of any capital asset, or (3) the lessee's/tenant's or concessionaire's expenditure is equal to or in excess of the sum of \$25,000, as determined by the Council; and

WHEREAS, in soliciting bids for these concessions, the City intends to require an investment of \$25,000 or more per facility for each of the six City-owned facilities, for maintenance and upgrades and/or improvements to provide food and beverage services to the public, to meet the requirements of ROH § 38-4.1(1); and

WHEREAS, each concessionaire will be required to provide capital improvements, including new equipment and fixtures to upgrade the facility; and



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WHEREAS, the DES is recommending concession agreement terms that exceed five years but shall be no greater than 10 years based on the concessionaires' required capital investment per facility of \$25,000 or more, to provide for an adequate amount of time for the concessionaires to recoup the cost of the investment; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it authorizes the Director of Budget and Fiscal Services, or the Director's designee, to enter into separate concession agreements for terms of up to 10 years to manage and operate food and beverage services at the six City-owned facilities listed above; provided that the concessionaires are required to expend \$25,000 or more per facility in capital improvements; and

BE IT FINALLY RESOLVED that copies of this resolution be transmitted to the Director of Enterprise Services and the Director of Budget and Fiscal Services.

INTRODUCED BY:

Tommy Waters (br)

DATE OF INTRODUCTION:

May 12, 2023
Honolulu, Hawai'i

Councilmembers