



MEMORANDUM

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL
FROM: DIANE McBRIDE, RECREATION DIRECTOR/ASSISTANT TM
RE: MANAGEMENT SERVICES CONTRACT – F3 MARINA
DATE: FEBRUARY 9, 2021

Summary and Background: In September 2020, the Town of Frisco contracted with F3 Marina to conduct an operational assessment of the Frisco Bay Marina. Alain Giudice, Senior Vice President, was on site from September 21-October 5, 2020, to conduct interviews and meetings with all available staff, to hold roundtable discussions with slip holders, to review marina operations, and to assess the marina facility and equipment. Mr. Giudice compiled his findings into a report, the Operational Performance Audit of the Frisco Bay Marina, and presented these findings to Town Council on November 10, 2020.

Council was supportive of the report and recommendations from F3 Marina, and in particular, the investment into senior leadership training and development for staff. F3 Marina followed up on this report with a proposed scope of services to the Town of Frisco for a one-year period to professionally train the Marina staff, set business expectations and goals, establish metrics to measure success, and assist with the Marina capital projects oversight and review.

F3 Marina is a division of Founders 3 Real Estate Services. F3 Marina specializes in management, feasibility, design, construction management, branding, and redevelopment of marinas. Under the guidance of F3 Marina, the level of customer service at the Frisco Bay Marina will improve, staff will be trained to be more effective and efficient managers, operations will also run more efficiently in a professional business manner, and capital projects will be evaluated and reviewed with marina-specific expertise.

The contract for services is attached for Council review. This is a sole source services contract with F3 Marina for a period of one-year. Under section 9-3 of the Town Code, the Town Council is authorized to approve a contract for goods or services without a competitive bidding process when, in the opinion of the Council, the goods or services are best obtained from a single source due to specialized skills, knowledge or experience, unique and relevant experience, knowledge of the Town or exceptional qualifications or reputation in the field. F3 Marina successfully completed the Operational Performance Audit in 2020, and the findings and recommendations were reviewed by and supported by Town Council. Their expertise and unique position within the market of marina management and development makes them exceptionally qualified for this management services contract with the Town of Frisco.

Analysis: The “Big Dig” and Phase 1 capital improvements changed the landscape and operations of the Frisco Bay Marina in 2019. While these capital improvements have been

successful, they have also presented many challenges, including issues with the bathrooms, parking, staffing, customer traffic flow and safety. As a result of this growth, staff recognized the need to reevaluate the daily operations, the efficiency of the operations, and to effectively and thoughtfully plan for the future. In 2020, the Town hired F3 Marina to complete a professional operational assessment of the facilities and services and provide recommendations for improved operations and services. Staff from F3 Marina were onsite for two weeks conducting interviews with marina and Town personnel, reviewing operations, and assessing the facility and equipment. Results of their findings and recommendations were included in the Operational Performance Audit of the Frisco Bay Marina.

F3 Marina has noted that to remain competitive, successful marina operators must have a well-conceived strategy that includes incorporating professional and sophisticated programs for customer service, marketing/branding, and profit centers to maximize revenues. Their report specifically highlights the need for senior leadership training and development for staff at the FBM to achieve this strategy. Under this contract, F3 Marina staff will be the senior management team overseeing marina operations and staff for a one-year period. F3 Marina proposes a robust training program for the core management team at the FBM that includes establishing metrics, setting quarterly and annual property goals, weekly/monthly/quarterly meetings, ongoing marina-specific and management level trainings, and standard property inspection checklists and follow-ups. Staff from F3 Marina will be onsite for at least one week every month, and available on a daily basis as needed for ongoing training and staff development.

The timing of this agreement with F3 Marina also coincides well with the 2021 capital projects at the Marina. F3 Marina staff will assist with construction management for the new admin + retail building, and the fuel system, and will be included in the 5-year capital review of the marina budget.

Financial Impact: The contract amount for F3 Marina's management services is a not to exceed \$10,000/month for a total of twelve (12) months. This amount includes the management services provided in the scope of work attached to the contract, as well as all other expenses including F&B, travel, lodging and transportation. The total contract amount is not to exceed \$120,000.

This expense will come out of the marina fund, 90-9000-4250, professional services. As of January 1, 2021, the marina has a fund balance of \$5.4M. Once all capital projects and expenses are accounted for, and revenues successfully generated, the fund balance at the end of 2021 is budgeted at ~\$1.8M. There are sufficient funds in the marina budget to account for this contracted expense.

Alignment with Strategic Plan: Per the Town of Frisco Strategic Plan 2020-2021, the Town of Frisco recognizes recreational, historical, artistic, and cultural assets and experiences as foundational to the Town's vibrancy and the quality of life for residents and visitors. The Town commits to providing unique and accessible opportunities for residents and visitors so they may find their own unique adventures and meaningful experiences in Frisco, and the Town pledges to maintain, sustain, and protect these assets and experiences for future generations. The Town Council is committed to making improvements at the Frisco Bay Marina, which includes investing in our best resources, our staff, to deliver exceptional service to the public.

Environmental Sustainability: No environmental impacts.

Staff Recommendation: Staff is recommending a sole source management services contract with F3 Marina for an amount not to exceed \$120,000.

Another option for Council to consider would be to release an RFP for the work. Given the dollar amount of \$120,000 for the work, Council may opt to release a competitive bidding process. Considering where the marina is today, with four months until opening to the public and requests for proposals out at this time for 2021 capital projects, this process of an RFP may negatively affect the 2021 operations, and bids may come in higher or lower than the \$120,000 proposal.

Approved By:

Nancy Kerry, Town Manager
Bonnie Moinet, Finance Director

Attachments:

Attachment 1: Contract for Goods and or Services