California State Parks Issues Proposal to Fully Commercialize Volleyball, Yoga, Pilates and Other Activities on Carlsbad State Beaches

Proposal would privatize already limited public resources

Prepared by: Tom Geldner North Coast Beach Volleyball 1/17/20

Who

North Coast Beach Volleyball is an ad hoc, all volunteer group of volleyball players who have installed, maintained and played on the public volleyball courts for over ten years at Ponto beach in Carlsbad. There are approximately 150 active players in the group and an additional 200 inactive. The group operates strictly from donations that go towards equipment (balls, nets, poles, hardware, rakes, etc.) and social activities. NCBV is on Meetup.com, Facebook, Twitter and on the web at https://northcoastvolleyball.org. NCBV also organized a large work party in October to move all volleyball poles from south of Batiquitos jetty to the north side to accommodate a State dredging project. NCBV has long advocated for free and open volleyball play.

Overview

On Monday, 1/6/20, Lisa Urbach, California State Parks & Recreation Southern District Supervisor, notified us that State Parks was going to proceed with an RFP (Request for Proposals) for a third-party COMMERCIAL volleyball / athletics concession for all Carlsbad State Beaches. The concession would manage, schedule and control play on the public volleyball courts at Frazee, Warm Waters / Tamarack and Ponto beaches. This effectively makes ALL Carlsbad State public beaches "pay-for-play". Only one court per location would be open to the public (3 courts out of about 20). The concession ALSO includes yoga, Pilates, martial arts and other athletic / non-aquatic activities.

The state wants to fast-track this with Letters of Intent to respond required by 2/6/20. A public meeting has been scheduled for Thursday 1/23/20, 6:00pm at the Hilton Garden Inn, 6450 Carlsbad Blvd., Carlsbad, CA 92011. Various volleyball groups and individuals have pledged to be at this meeting in opposition to the State's plans. Following the meeting, the State has said there will be 45 days to submit concession proposals.

The RFP specifies this will be a five-year contract with a 5-year renewal. This means the public could be cut out of the process for 10 years.

Background

In 2012, against the wishes of the local community, State Parks issued a commercial concession for volleyball, yoga and other fitness activities to Dennis Shay dba Carlsbad Village Athletic Clubs (CVAC). This concession was limited in scope in that certain hours of operation were specified and Ponto beach was excluded for volleyball (courts at Ponto were left fully open to the public). When the concession contract came up for renewal five years ago, the volleyball community came en masse to a public meeting. Only one person (the concessionaire) was there in favor of the continuing the concession. The rest (40 – 50 people) spoke in opposition to continuing

the concession. Since then, the State has simply ignored the public's wishes and has renewed the concession contract on a month-to-month basis without a public bid.

Issues

There have been numerous problems with current concessionaire:

- 1. Improper record keeping including lack of cash receipts. Concern that monies collected by the concessionaire's subcontractors have not been fully reported to State as required.
- 2. Deals made with subcontractors and groups not put in writing.
- 3. Concessionaire was subject of #metoo allegations.
- 4. Players have been kicked off public volleyball courts even though those courts were not in use.
- 5. Equipment supplied not properly maintained.
- 6. Inconsistent pricing / favoritism. Pricing and policies not posted in public.
- 7. Double booking of courts including replacing scheduled groups with different group (probably for more money).
- 8. **Very high cost of participation for volleyball.** Concessionaire currently charges \$180 per year to play at Frazee and Warm Waters. Note that this price has been variable with some CVAC members reporting both higher and lower amounts paid.

These issues and other problems reported by players were deemed egregious enough that State conducted its own internal audit and investigation of the contract and the concessionaire in 2018. The audit was concluded in November of 2018 however State Parks did not publicize the results. We made a California Public Records Act request and recently received a copy of the Audit results. It is alarming. Summary language as follows (emphasis added):

The report contains all findings discussed with the San Diego Coast District during the course of the audit and **recommends that the District terminate the concession contract** as the concessionaire's financial records lack key information, the concessionaire did not comply with the terms of the contract, and as a result, **a significant risk to the Department's reputation, public safety, and natural resources exists**.

The District should directly manage the Carlsbad State Beach operations for a period of time to determine demand and actual revenues generated at these locations. With the collected data, the District should work with headquarters to determine whether out-sourcing all or a portion of this effort, or directly managing the entire operations best suit the Department's mission.

State Parks has neither terminated the contract (it continues month-to-month as of this writing) AND State Parks has not locally managed beach operations and determined demand / actual revenues.

Concession Concept

The volleyball community does not understand what is driving the need for this concession. Players, including schools, groups and individuals, have used the courts at Ponto for over a decade on a first-come, first-serve basic without problems. Prior to the concession, other courts were used in similar fashion without problems. The only time priorities need to be managed is when commercial tournaments or clinics are held. In the past, the State used to permit those directly. Now they plan to outsource ALL permitting of these activities to a private party. We oppose this because it is not in the public interest. Having ONE private entity in charge of all these activities places the rights of individuals below those of the commercial operation.

This is a unique commercial arrangement. No other beaches in the San Diego region have a volleyball concession and no other beaches in the region charge money for ordinary recreational play.

The new RFP as issued is highly biased in favor of current concessionaire. Qualifications and rating points seem uniquely tailored to the current concessionaire.

Note that in all of its years of operation, the concessionaire has never generated more than \$8,700/year in revenue for the State. As of this writing, the State has not released complete financials for the Concessionaire since 2014.

Outcome Desired:

We would like the State to:

- 1. Drop the concession concept for volleyball and other sports entirely and return to in-house permitting and open/free play on public courts.
- 2. If the above is not achievable and the State moves ahead anyway, they should delay the process for issuing and responding to the RFP by six months. This would allow other entities and groups the opportunity to incorporate (non-profit or LLC) and create their own proposals for taking operating the concession.
- 3. Change the RFP as written to remove bias in favor of the current concessionaire and expand universe of possible bidders.
- 4. While we remain opposed to any commercialization of volleyball in this fashion, the State has exempted the courts at Ponto in the past. This would be better than allowing one private company to effectively control all courts.

We are concerned that leaving only ONE court open for free play at each location will lead to possible arguments and confrontations between the State, the Concessionaire and recreational players. This has happened at Frazee and Warm Waters in the past where the Concessionaire used State Lifeguards and Park Rangers to remove players from courts (courts that weren't even in use at the time). This concession also effectively limits volleyball play to those who can afford it. Low cost / no cost options are not provided other than one court per location.

Website & Petition:

North Coast Beach Volleyball has setup a website at https://northcoastvolleyball.org where we are posting news and updates. In addition, we have put up a simple online petition. Please click and sign it.

Mailing List:

Subscribe here:

https://northcoastvolleyball.org:2083/cpsess3003116144/3rdparty/mailman/listinfo/ncvolleyball_northcoastvolleyball.org

Actions (What You Can Do):

- 1. Attend the State Parks meeting on 1/23/20.
- 2. Sign our online petition: https://northcoastvolleyball.org
- 3. Forward this document to friends.
- 4. Join our Facebook group: https://www.facebook.com/groups/ncbvb/
- 5. Follow us on Twitter: @ncbvolleyball
- 6. Volunteer to do PR, legal or other work. Help get the word out.
- 7. Contact local media (Coast News, Union-Tribune, KUSI, CBS8 / KFMB, 7 News, 10 News)
- 8. Contact Carlsbad City Council members. (Note that Council does not have any direct responsibility for State actions. However it can influence State decisions.)

- Mayor Matt Hall matt.hall@carlsbadca.gov
- Mayor Pro Tem Priya Bhat-Patel priya.bhat-patel@carlsbadca.gov
- Council Member Cori Schumacher cori.schumacher@carlsbadca.gov
- Council Member Keith Blackburn keith.blackburn@carlsbadca.gov
- Council (All Members) 760-434-2820 council@carlsbadca.gov
- 9. Contact State Senator Patricia Bates
 - Matthew Phy 760-642-0809 matthew.phy@sen.ca.gov
- 10. Contact State Assembly Member Tasha Boerner Horvath
 - Alex Kiwan (760) 434-7605 <u>Alex.Kiwan@asm.ca.gov</u>
- 11. Contact California State Parks
 - Lisa Urbach (San Diego Superintendent) (760) 331-9178 Lisa.Urbach@parks.ca.gov
 - Jared Zucker (Concessions Manger) (916) 651-7678 Jared Zucker@parks.ca.gov
 - Brian Ketterer (Coastal Division Chief) (916) 653-8288 brian.ketterer@parks.ca.gov
 - Lisa Ann L. Mangat (Director) (800) 777-0369 / (916) 324-4442
 - Vicki Perez (State Parks Commission) Vicki.Perez@parks.ca.gov
- 12. Contact the California Coastal Commission
 - Alex Llerandi (Coastal Program Analyst) (619) 767-2370 <u>Alexander.Llerandi@coastal.ca.gov</u>

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