

APPROVED
JUN 18 2008

REPORT OF GENERAL MANAGER

NO. 08-175

DATE June 18, 2008

C.D. ALL

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: AMENDMENT TO CONTRACT NO. 246 WITH US eDIRECT, INC., DBA US eGOLF TO EXERCISE THE FIVE-YEAR RENEWAL OPTION, EXPAND THE SCOPE OF WORK, AND INCREASE AMOUNT OF THE CONTRACT

R. Adams _____
H. Fujita _____
S. Huntley _____
V. Israel _____

J. Kolb _____
F. Mok _____
*K. Regan _____
M. Shull _____

[Handwritten Signature]
General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve the proposed Amendment to Contract No. 246, substantially in the form on file in the Board Office to exercise the five-year renewal option, expand the scope of work, and increase the contract amount from \$388,800 to \$987,580.96, subject to the approval of the Mayor, in accordance with Executive Directive No. 3, City Council, and the City Attorney as to form; and.
2. Find, in accordance with Charter Section 1022, that the Department does not have sufficient personnel available in its employ to undertake these specialized professional tasks and that it is more feasible to secure these services by contract;
3. Direct the Board Secretary to transmit forthwith the proposed Amendment, concurrently, to the Mayor in accordance with Executive Directive No. 3, and the City Attorney for approval as to form; and.
4. Authorize the Board President and Secretary to expeditiously execute the Amendment upon receipt of necessary approvals.

SUMMARY:

The City of Los Angeles Department of Recreation and Parks (Department) owns and operates the

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largest municipal golf system in the United States, consisting of a total of thirteen golf courses, comprising seven 18-hole championship courses, one 9-hole regulation course, two executive 9-hole courses, two 9-hole pitch and putt courses, and one 18-hole pony course. The Department also operates one junior golf learning center. The Department's courses are open for play, conditions permitting, 365 days a year from dawn to dusk.

The Automated Golf and Tennis Reservation System (AGTRS) is used at the Department's seven 18-hole golf course facilities: Sepulveda Golf Complex (Encino/Balboa Golf Courses), Griffith Park Golf Complex (Wilson/Harding Golf Courses), Hansen Dam Golf Course, Rancho Park Golf Course, and Woodley Lakes Golf Course. AGTRS is also used at three of the Department's 9-hole golf courses: Harbor Park, Penmar and Roosevelt. AGTRS will be expanded to two additional sites: Los Feliz Pitch and Putt course and the Rancho 9-hole course.

The Department originally secured services from Fairways Systems, Inc., in the mid-1990s for an automated golf and tennis reservation system when there were a limited number of qualified vendors with expertise in operating a municipal golf course system. The system in place at that time consisted of a manual centralized system and was later upgraded to ensure that the integrity of the system could not be compromised. AGTRS was successful and continues to be a popular feature of the City's golfing services. As technology advances, the services that AGTRS is capable of providing are rapidly evolving.

On April 7, 2004, US eDirect, Inc., dba US eGolf (Contractor) was awarded Contract No. 246 (Board Report No. 04-110). The purpose of this Contract was to serve the public by providing a state-of-the-art automated golf and tennis reservation service system. The services for the AGTRS included: delivery and installation of all software; specifications for all necessary hardware; training and system support; and, system maintenance at the locations described in the agreement.

The Department is now looking to further advance the capabilities of the system by adding components which will provide greater services to the community and increase functionality to the Department. The expansion will also help to discourage brokering of tee times. The expansion modules will enhance the current system with the following:

- Conversion from a manual centralized ID issuance system to a distributed system with reliable verification tools;
- Provide on-line tee time reservations; and,
- Provide credit card guaranteed reservations for non-card holders via the Internet 72-hours in advance.

The on-line reservations and non-card holder 72-hours in advance components are being added to keep up with industry standards and to ensure access to Department golf courses are more user-friendly and more available, without displacing reservation card holders. The additional services

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requested are items that the current Contractor is able to provide through their experience in developing the current system, installing customized software, and performing programming under the existing contract.

Due to the continued need of the services provided by the Contractor, staff recommends exercising the five-year renewal option, expanding the scope of work, and, increasing the total contract amount as follows:

1. Extend the expiration date from November 4, 2009 to November 3, 2014, subject to funding availability and earlier termination by the Department as provided in the Standard Provisions for City Contracts, Attachment 1 of Exhibit A of the contract.
2. Expand the Scope of Work in accordance with the Supplement to amended Exhibit B attached to the Amendment.
3. Increase the total compensation of the contract from \$388,800 to an amount not to exceed \$987,580.96.

Charter Section 1022 Determination

On November 29, 2007, the Personnel Department completed a Charter Section 1022 review and determined that the City classifications of Systems Aide and Systems Analyst can perform some of the work requested. In 2004 when the contract was established, the Department did not have the necessary staff or expertise available to accomplish this work. The existing contract provides for the installation and subsequent support of the AGTRS and the Department has decided to exercise the contract's renewal option to upgrade the current system. However, the Department still has no positions budgeted to provide the technical support necessary to ensure AGTRS is properly maintained. The Department continues to lack the appropriate expertise and experience to perform the work in its entirety. The Contractor currently employs staff with the necessary expertise and experience with the existing system to perform the required services. Therefore, it is more feasible to contract out the services to ensure the needs of the public as well as the Department, are met in a timely and efficient manner.

Funding is provided in the Automated Golf and Tennis Reservation Account (Fund 302, Department 89, Account No. 850K). It is anticipated that revenues to this account will increase with the added program features of the amendment. The Golf Division has reviewed the amendment and recommends approval by the Board.

FISCAL IMPACT STATEMENT:

Approval of this Amendment to Contract No. 246 will have a positive impact to the Department's

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General Fund. As revenue increases, deposits to the Department's General Fund will also increase.

This report was prepared by Robert Morales, Senior Management Analyst, Contracts and Procurement Section, Finance Division.