

REPORT OF GENERAL MANAGER

**APPROVED**

NO. 10-336

DATE December 8, 2010

DEC 08 2010

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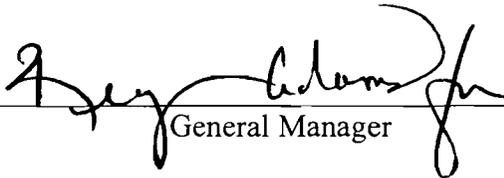
BOARD OF RECREATION  
and PARK COMMISSIONERS

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: TRAVEL TOWN MUSEUM MOBILE FOOD SERVICE – CONCESSION AGREEMENTS – RESCISSION OF AWARD TO FRANK B. DECK DBA FRANK’S HOT DOGS AND AWARD TO JAMES HOROSNY DBA THE BEST HOT DOGS

R. Adams \_\_\_\_\_  
H. Fujita \_\_\_\_\_  
S. Huntley \_\_\_\_\_  
V. Israel \_\_\_\_\_

\*F. Mok *FM* \_\_\_\_\_  
K. Regan \_\_\_\_\_  
M. Shull \_\_\_\_\_

  
\_\_\_\_\_  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Approve a proposed one (1) year Concession Agreement, substantially in the form on file in the Board Office, between the City of Los Angeles Department of Recreation and Parks and James Horosny, dba The Best Hot Dogs, for the operation and maintenance of the Travel Town Museum Mobile Food Service Concession, with two (2) one-year renewal options exercisable at the sole discretion of the General Manager, subject to the approval of the Mayor, and of the City Attorney as to form;
2. Find, in accordance with Charter Section 1022, that the Department does not have personnel available in its employ with sufficient time and expertise to undertake these specialized professional tasks and that it is more feasible to secure these services by contract;
3. Find, in accordance with Charter Section 371(e)(10) and Los Angeles Administrative Code Section 10.15(a)(10), that obtaining proposals would not be reasonably practicable or desirable pending completion of the Los Angeles Department of Water and Power River Supply Conduit Improvement project throughout Griffith Park because it is impossible to accurately predict the amount and duration of the impact the Project will have on the concession. Therefore, it will be in the City’s best interest to seek proposals for the concession after completion of the Project in the area of the Park affecting this concession;
4. Direct the Board Secretary to transmit the proposed Concession Agreement to the Mayor in accordance with Executive Directive No. 3 and, concurrently, to the City Attorney for review and approval as to form;

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5. Authorize the Board President and Secretary to execute the Concession Agreement upon receipt of the necessary approvals; and,
6. Rescind award of the Travel Town Museum Mobile Food Service Concession Agreement to Frank B. Deck, dba Frank's Hot Dogs.

### SUMMARY:

On December 11, 2008, the Board awarded a one-year concession agreement, with two one-year options to renew, to Frank B. Deck, dba Frank's Hot Dogs, for the maintenance and operation of the Travel Town Museum Mobile Food Service concession (Board Report No. 08-327).

The short-term agreement was awarded due to the Los Angeles Department of Water and Power (DWP) River Supply Conduit Improvement project, which began in July 2009 and is expected to be completed in Summer 2014. As stated in the Board Report, "The Department desires to keep the businesses open and operational during DWP's project. An approved contract will lead to business security, which allows the concessionaire to offer the best possible service to the public. Business security also allows the concessionaire to access funds necessary to keep the public aware of the concession's availability during construction, which, in turn, leads to higher attendance and greater revenue for the concessionaire and the City."

On June 21, 2010, Mr. Deck sent written notice of his intent to discontinue service due to personal reasons. Staff has discussed the situation with Mr. Deck and finds that a short-term alternative is to award the concession agreement to Mr. Deck's assistant at the concession, Mr. James Horosny dba The Best Hot Dogs, to provide mobile food service at the Travel Town Museum on weekends and holidays.

Besides assisting Mr. Deck with the Travel Town Mobile Food Service on weekends and holidays, Mr. Horosny owned and operated a food stand in front of the Glendale Home Depot and the San Fernando Home Depot. Mr. Horosny was previously a manager of a hot dog vending cart business for 13 years, where his duties included scheduling employees, purchasing food and supplies, handling cash deposits, and working with the public.

### Charter 1022 Finding

Los Angeles City Charter Section 1022 prohibits contracting out work that could be done by City employees unless the Board determines it is more economical and/or feasible to contract out the service.

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The Department lacks the personnel with the expertise to provide a mobile food and beverage operation. Also, as the work to be performed is limited to weekends and holidays, it is not practical to hire and train employees to provide the intermittent service. It would therefore be more feasible to secure the services by an independent contractor.

Charter Section 371

In order to ensure that the level of mobile food service is continued to the public and to avoid a potential revenue shortfall, a formal competitive bid process, in accordance with Los Angeles Administrative Code Section 10.15(a)(2), is impracticable and disadvantageous at this time due to the on-going DWP River Supply Conduit Improvement project which would make it difficult for the Department to receive the best possible proposals for the concession.

Staff has reviewed the background and experience and finds that Mr. Horosny is an experienced and responsible party and therefore recommends the award of a one-year concession agreement with two one-year options to renew at the sole discretion of the General Manager.

Staff also recommends that the Board rescind the concession agreement awarded to Frank B. Deck, dba Frank's Hot Dogs, on December 11, 2008. This contract was never executed.

FISCAL IMPACT STATEMENT:

During the first year term of the Concession Agreement, it is estimated that approximately \$9,000 will be paid in rent to the Department. Of that amount, \$8,100 will be deposited in the Department's General Fund and \$900 will be deposited into the Concession Improvement Account (Fund 302, Department 89, Account 070K).

Report prepared by Désirée Guzzetta, Management Analyst II, Concessions Unit, Administrative Resources Section, Finance Division.