

**APPROVED**  
JUL 14 2010

REPORT OF GENERAL MANAGER

NO. 10-179

DATE July 14, 2010

**BOARD OF RECREATION  
and PARK COMMISSIONERS**

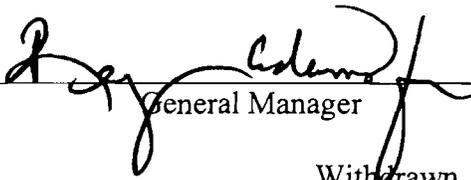
C.D. Various

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: SUPPLEMENTAL AGREEMENT TO PERSONAL SERVICES CONTRACT NO. 3211 WITH DAVID M. DORNBUSCH AND COMPANY, INC., DBA DORNBUSCH ASSOCIATES TO EXTEND THE TERM

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Withdrawn \_\_\_\_\_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 Supplemental Agreement to Personal Services Contract No. 3211, substantially in the form on file in the Board Office, between the City of Los Angeles Department of Recreation and Parks and David M. Dornbusch and Company, Inc., dba Dornbusch Associates, to extend the term of the contract from 36 months to 48 months, subject to 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 expertise to provide these professional services and that it is more feasible to secure these services by contract;
3. Find, in accordance with Charter Section 371(e)(2), that for the continuation of professional services of a temporary and occasional character for the concessions program, a competitive bidding process is not practicable or advantageous;
4. Direct the Board Secretary to transmit forthwith the proposed Supplemental Agreement to the Mayor in accordance with Executive Directive No. 3 and, concurrently to the City Attorney, for review and approval as to form; and,
5. Authorize the Board President and Secretary to execute the Supplemental Agreement, upon receipt of the necessary approvals.

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### SUMMARY:

On August 28, 2006, the Department released a Request for Qualifications (RFQ) for As-Needed Economic Consultants. On November 1, 2006, the Board awarded contracts for a term of three-years with five economic consultants (Board Report No. 06-327); including Dornbusch Associates.

On April 5, 2007, the Department executed Personal Services Contract No. 3211, with David M. Dornbusch and Company, Inc., dba Dornbusch Associates (Consultant), for a term of thirty-six months beginning April 5, 2007, to provide as-needed economic consulting services in order to assist the Department with the management, planning, and development of concession operations, including Requests for Proposals.

As Contract No. 3211 expired on April 4, 2010, a supplement agreement to extend the term of the contract from 36 months to 48 months is necessary to provide a variety of as-needed economic consulting services as the need arises.

In accordance with Section 10.5(b)(2) of the Los Angeles Administrative Code (LAAC), Council approval is not required as annual payments will not exceed \$130,466.

### Charter Section 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.

On May 19, 2010, the Personnel Department completed a Charter Section 1022 review (Attached) and determined that although there are City classifications that can perform some of the work, the scope of work and time line does not allow for completion of the project with the current staff. It is therefore more feasible to secure these services through an independent contractor.

### Charter Findings

Los Angeles City Charter Section 371 requires that all contracts valued at over \$25,000 require a competitive bid process subject to certain exceptions. In accordance with Charter Section 371(e)(10), the requirement does not apply to contracts, as determined by the contracting authority, of a temporary and occasional character for which the contracting authority finds that competitive bidding is not practicable or advantageous.

Contract No. 3211 was awarded based on an approved RFQ process and is for as-needed services. The Department has occasional need for economic consulting services and has several consultants who can perform the service at any given time. A task order is provided to the

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consultant who is best suited to each task as it arises, taking into consideration price and availability. A competitive process for each task would be impractical and not in the City's best interest.

FISCAL IMPACT STATEMENT:

Funding for this contract is currently provided in Fund 302, Department 89, Account 400K and Fund 302, Department 89, Account 070K. This supplemental agreement has no impact on the Department's General Fund.

This report was prepared by Raymond Chang, Senior Management Analyst I, Finance Division, Administrative Resources Section, Service Contracts Group.

**PERSONNEL DEPARTMENT CONTRACT REVIEW REPORT**

1. Requesting Department: Department of Recreation and Parks

2. Contacts:

Department: Raymond Chang Phone No. (818) 243-6488 Fax No. 818-243-6451

CAO: Veronica Salumbides Phone No. (213) 473-7561 Fax No. 213-473-7514

3. Work to be performed:

The contract is to provide as-needed economic consulting services to provide management with information to plan and develop the Department's concession operations. The contract calls for providing market research and analysis, feasibility studies, profitability analysis, product evaluation, business development, facility design, and other technical services related to the development, planning, and maintaining of concessions.

4. Is this a contract renewal? Yes  No  (Contract No. 3211)

5. Proposed length of contract: Three years; amendment to extend contract by one year.

Proposed Start Date: Contract began April 5, 2007.

6. Proposed cost of contract (if known): \$99,000

7. Name of proposed contractor: Dornbusch Associates, Inc.

8. Unique or special qualifications required to perform the work:

The contractor must have expertise in planning and developing concessions, including experience with market research and analyses.

9. Are there City employees that can perform the work being proposed for contracting?

Yes  No  City employees can perform some of the work.

<b>Classification</b>	<b>Department(s)</b>	<b>List Expires</b>
Concessions Manager (9247)	Airports	Exempt class
Senior Management Analyst (9171)	Various	No list
Operations and Statistical Research Analyst, 1779	DWP, Housing, Planning, Police	2/19/2011
Management Analyst (9184)	Various	No list
Financial Analyst (1549)	Airports, Harbor, and ITA	7/28/2010
Management Assistant	Various	6/14/10
Graphics Designer	Airports, Cultural Affairs, DWP, Harbor, ITA, Library, Personnel, Planning, Police, Recreation and Parks, Transportation, Zoo	No list

If yes,

- a. Which class(es) and Department(s): Please see above.
- b. Is there sufficient Department staff available to perform the work? Yes  No
- c. Is there a current eligible list for the class(es)? Yes  No  Please see above.
- d. Estimated time to fill position(s) through CSC process? Unknown due to hiring freeze.
- e. Can the requesting department continue to employ staff hired for the project after project completion? Yes  No
- f. Are there City employees currently performing some of the work? Yes  No

10. Findings

- City employees DO NOT have the expertise to perform the work
- City employees DO have the expertise to perform some of the work

Check if applicable (explanation attached) and send to CAO for further analysis

- Project of limited duration would have to layoff staff at end of project
- Time constraints require immediate staffing of project
- Work assignment exceeds staffing availability

**SUMMARY:**

The Department of Recreation and Parks is requesting Charter Section 1022 Contract Review for market research, planning, and economic forecasting for concession operations. The request is for an amendment to the original contract which began in April 2007. The amendment calls for extending the contract for an additional 12 months only, without augmentation to the contract amount. The original 1022 Contract review report was not completed and thus this report was prepared for reference purposes. Although there are City classifications that perform some of the work, the scope of work and time line does not allow for completion of the project with the current staff.

Submitted by:

Cathy T. Tanaka  
Cathy T. Tanaka

Approved by:

Shelly Del Rosario  
Shelly Del Rosario

Date:

5-19-13