

APPROVED
JUN 16 2010

REPORT OF GENERAL MANAGER

NO. 10-162

DATE June 16, 2010

BOARD OF RECREATION
and PARK COMMISSIONERS

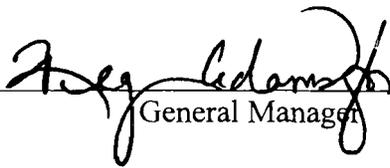
C.D. 9

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: PERSHING SQUARE PARK – AWARD OF PROFESSIONAL SERVICES CONTRACT WITH WILLY BIETAK PRODUCTIONS, INC., FOR “DOWNTOWN ON ICE” OUTDOOR WINTER ICE SKATING RINK

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

*F. Mok am
K. Regan _____
M. Shull _____



General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve the proposed Professional Services Contract between the City of Los Angeles and the sole proposer, Willy Bietak Productions, Inc., substantially in the form on file in the Board Office, to provide an outdoor ice skating rink for the “Downtown on Ice” event in Pershing Square Park, in an amount not to exceed \$837,000, for a term of one year, with two (2) one-year renewal options exercisable at the General Manager’s sole discretion, 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 it is employ with sufficient time and expertise to undertake these specialized professional services 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 the use of competitive bidding would be undesirable, impractical or otherwise excused by common law and the Charter because, unlike the purchase of a specified product, there is no single criterion, such as price comparison, that will determine which proposer can best provide an outdoor ice skating rink. In order to select the best proposer for this service, the Board finds it necessary to utilize a standard request for proposals process and to evaluate proposals received based upon the criteria included in the Request for Proposals (RFP). Also find that the narrower and more specialized competitive sealed proposal process authorized but not required by Charter Section 371, subsection (b), would not meet the Department’s needs and therefore opts to utilize the standard request for proposals process;

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4. Direct the Board Secretary to transmit the proposed Professional Services Contract, concurrently, to the Mayor in accordance with Executive Directive No. 3 and to the City Attorney for approval as to form; and,
5. Authorize the Board President and Secretary to execute the Contract upon receipt of the necessary approvals.

SUMMARY:

Pershing Square Park's "Downtown on Ice" is the largest outdoor seasonal ice skating rink in the City of Los Angeles and is one of the City's premier winter holiday attractions. This event provides family entertainment and recreational activities for people of all ages.

On May 20, 2009, the Board approved the release of a Request for Proposals (RFP) for Pershing Square Park "Downtown on Ice" Outdoor Winter Ice Skating Rink in order to secure a multi-year term agreement (Board Report No. 09-132). On June 30, 2009, the RFP was advertised in local periodicals, posted on the Los Angeles Business Assistance Virtual Network (BAVN) and made available on the Department's website.

On August 11, 2009, a Pre-Proposal Conference was held to provide potential proposers with a review of the submittal documents and compliance documents.

On October 27, 2009, only one proposal was received, which was from Willy Bietak Productions, Inc.

As stipulated in the RFP, evaluation of the bid proposals was to occur in two levels. Level I would be a check and review for required compliance and submittal documents and Level II would be a comprehensive evaluation of the proposal. Proposers must successfully pass the first level to proceed to the next level.

Staff performed a Level I review of the following required documents:

Compliance Documents:

- 1) Proposer's Signature, Declaration and Affidavit
- 2) Disposition of Proposals
- 3) Affirmative Action Plan
- 4) Good Faith Effort Subcontractor Outreach
- 5) Living Wage Ordinance/Service Contractor Worker Retention Ordinance
- 6) Contractor Responsibility Ordinance Statement
- 7) Equal Benefits Ordinance Statement
- 8) CEC Form 50

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Submittal Documents:

- 1) Cover Letter
- 2) Proposal Deposit
- 3) Experience and Qualifications
- 4) Proposed Design
- 5) Equipment Supplied
- 6) Proposed Staffing and Staffing Information
- 7) Proposed Total Payment Amount and Reduction Rate

Proposals are either Responsive (pass) or Non-Responsive (fail). The following is the complete Level I findings:

Willy Bietak Productions, Inc. was found Responsive in seven of the eight compliance documents and Responsive in all seven submittal documents (Attachment A).

As this was the only proposal, staff consulted with the City Attorney and was advised that the proposer could provide the missing compliance document (CEC Form 50) in order for staff to evaluate and if found to be otherwise a responsible proposal, the Board may consider the only proposal submitted and award a contract.

On December 10, 2009, Willy Bietak Productions, Inc. provided the CEC Form 50 compliance document. Since Willy Bietak Productions, Inc. was the only proposer, no other proposer was disadvantaged by the late submission of the requested document and the City Attorney has advised that the Board may consider an award to the only proposer.

Staff has reviewed the submittal documents and verified the proposer's background and experience. It is recommended that a Professional Services Contract to provide an outdoor ice skating rink be awarded to Willy Bietak Productions, Inc., for a term of one (1) year, with two (2) one-year renewal options exercisable at the sole discretion of the General Manager. Compensation will not exceed \$279,000 per year, and total compensation over three (3) years will not exceed \$837,000.

The above amount includes the building of the ice skating rink and installation of two party area platforms. In addition to the aforementioned goods and services, Willy Bietak Productions, Inc. will secure talent for the opening ceremony/press conference.

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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 March 13, 2009 the Personnel Department completed a Charter Section 1022 review (Attachment B). It was determined that while City employees can perform some of the services, the Department does not have the necessary equipment or expertise to perform the core task of installing and maintaining the ice for an outdoor ice skating rink, nor the equipment or supplies to operate the skate rental services. Also, due to the temporary nature of the event, it would be necessary upon its conclusion to layoff staff hired specifically for this event. It is therefore more feasible to secure these services through an independent contractor.

FISCAL IMPACT STATEMENT:

There is no impact to the Department's General Fund as the operating expenses will be funded by revenue generated by the ice skating rink, Pershing Square Municipal Program Fund No. 301, Department 88, Account 012M and corporate sponsorship.

This report was prepared by Nancy Jeffers, Management Analyst II, Service Contracts Group, Administrative Resources Section, Finance Division.

Attachment A

**WILLY BIETAK PRODUCTIONS, INC.
PERSHING SQUARE PARK "DOWNTOWN ON ICE" OUTDOOR WINTER ICE SKATING RINK RFP
LEVEL I EVALUATION**

| I. Compliance Documents | | Submitted | In Compliance | Comments |
|--------------------------------|---|------------------|----------------------|---|
| 1. | Proposer's Signature Declaration and Affidavit of Non-Collusion Page | yes | yes | |
| 2. | Disposition of Proposals | yes | yes | |
| 3. | Nondiscrimination, Equal Employment Practices and Affirmative Action Policies | yes | yes | |
| 5. | Living Wage Ordinance (LWO)/Service Contractor Worker Retention Ordinance (SCWRO) | yes | yes | |
| 6. | Contractor Responsibility Ordinance (CRO) Questionnaire | yes | yes | |
| 7. | Equal Benefits Ordinance (EBO) Compliance Form | yes | yes | |
| 8. | Bidder Certification City Ethics Commission (CEC) Form 50 | no | no | Form not submitted. Staff requested a completed form on 12/10/2009 and received it on 12/10/2009. |

| II. Submittal Documents | | Submitted | In Compliance | Comments |
|--------------------------------|--|------------------|----------------------|-----------------|
| 1. | Cover Letter | yes | yes | |
| 2. | Proposal Deposit | yes | yes | |
| 3. | Experience and Qualifications | yes | yes | |
| 4. | Proposed Design | yes | yes | |
| 5. | Equipment Supplied | yes | yes | |
| 6. | Proposed Staffing and Staffing Information | yes | yes | |
| 7. | Proposed Total Payment Amount and Reduction Rate | yes | yes | |

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. 3228)

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

Proposed Start Date: Contract began June 8, 2007.

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

7. Name of proposed contractor: Avant Garde 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.

| Classification | Department(s) | List Expires |
|---|---|---------------------|
| 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 June 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:

5-11-10