REPORT OF GENERAL MANAGER

DATE December 9, 2015

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: GRIFFITH PARK - REQUEST FOR PROPOSALS FOR THE GRIFFITH PARK PONY RIDE CONCESSION

R. Barajas  
H. Fujita  
*V. Israel

K. Regan  
N. Williams

Approved ✔  Disapproved  Withdrawn

As Amended

RECOMMENDATIONS:

That the Board:

*1. Approve a proposed Request for Proposals for the Griffith Park Pony Ride Concession (RFP) for a three (3) year contract, substantially in the form on file in the Board Office, subject to the review and approval of the City Attorney as to form;

2. Direct the Board Secretary to transmit the RFP to the City Attorney for review and approval as to form;

3. Direct staff, subsequent to City Attorney review and approval as to form, to advertise the RFP and conduct the RFP process for the Griffith Park Pony Ride Concession; and

4. Authorize the General Manager or designee to make any necessary technical changes and incorporate such changes into the RFP, without further consideration of the technical corrections by the Board that are consistent with the intent of the Board.

SUMMARY:

The Griffith Park Pony Ride Concession (Concession) is located at 4400 Crystal Springs Drive, in Griffith Park that includes recreational amenities such as hiking trails, horseback riding trails, picnic areas, train rides, and a refreshment stand in close proximity to the Concession. The Concession consists of a pergola structure, ticket booth, pony sweep structure, wooden guide rails, corrals, and a metal hay barn. The Concession offers pony rides for children at "slow," "medium," and "big pony" speeds on well-trained ponies, the appropriate saddlery and tack necessary for the safety of the riders and ponies, a mule or pony-drawn stagecoach ride and a pony sweep ride.

*Correction to Recommendation No. 1:

1. Approve a proposed Request for Proposals for the Griffith Park Pony Ride Concession (RFP) for a five (5) year contract with three (3) one (1)-year extension options at the discretion of the General Manager, substantially in the form on file in the Board Office, subject to review and approval of the City Attorney as to form;
Under the terms of Concession Agreement No. 191 (Agreement), which commenced on June 28, 1979 for a ten (10) year term and terminated on June 27, 1989, between the City of Los Angeles, acting through the Board of Recreation and Park Commissioners (Board), and Hank William Bronk, (Concessionaire), the Concession has operated since 1980. The Agreement has been operating on a month-to-month basis since expiring in 1989. The Concessionaire pays twenty percent (20%) of Concession gross receipts in revenue sharing payments to the City of Los Angeles Department of Recreation and Parks (RAP), and paid One Hundred Thirty-Seven Thousand Nine Hundred Seventy-One Dollars and Ninety Cents ($137,971.90) in 2014 to RAP on gross sales of Seven Hundred Seventeen Thousand Three Hundred Seventy-Nine Dollars ($717,379.00). In 2014, there were Five Thousand Five Hundred Three Dollars and Ninety Cents ($5,503.90) in ticket refunds.

A RFP process for the Griffith Park Pony Ride Concession was approved by the Board in 1993 (Report No. 93-139). The RFP process resulted in an award approved by the Board in 1997 to Karen G. Bronk (Report No. 97-444). Unsuccessful contract negotiations between the Department and Ms. Bronk, and questions regarding the applicability of the Living Wage Ordinance (LWO) to the proposed Concession Agreement, led to the City Council disapproving the contract award (Council File No. 02-1877).

In 2005, a RFP for the Griffith Park Pony Ride Concession for a ten (10) year term with one (1) five-year renewal option was released (Report No. 05-174), which resulted in an award by the Board to a proposer other than the Concessionaire (Board Report No. 05-318). The contract award was disapproved by the City Council (Council File No. 06-1428).

In 2008, a one (1) year concession agreement with two (2) one-year renewal options with the Concessionaire was approved by the Board along with eight (8) other Griffith Park concessions due, in part, to the impact of the Los Angeles Department of Water and Power (DWP) River Supply Conduit Improvement Project in Griffith Park (Report No. 08-327). The Concessionaire declined to execute the one (1) year concession agreement due to the rise of personnel costs required by the Living Wage Ordinance (LWO) that would be applicable with contract execution.

Staff has developed and is now ready to release, at the direction of the Board, an RFP for the operation and maintenance of the Concession. With this RFP, the Department seeks a qualified, experienced, and financially sound operator who will meet or exceed the Department's expectations in all operational and financial areas, and optimize service to the public and profitability of the Concession.

DISCUSSION:

The RFP on file in the Board Office is intended to solicit proposals from companies that have extensive experience overseeing operation and management of a pony ride business.
The successful proposer will be required to provide high quality and courteous services and rides to park patrons. They will also be encouraged to consider and propose additional pony ride-related business activities, services, and/or amenities at the concession facility.

Proposal and Contractual Provisions

1. Proposal Deposit: A Ten Thousand Dollar ($10,000.00) proposal deposit will be required with the submission of each proposal.
   
2. Term: Three (3) years with no extension options.
   
3. Revenue-Sharing Terms: The revenue sharing fee will be determined based upon the RFP responses.
   
4. Improvements: There are ten (10) required Concession improvements and proposers may submit optional improvements to improve the quality of the Concession.
   
5. Utilities: The successful proposer will be responsible for all utility charges associated with the Concession. There is no gas service to the Concession.
   
6. Performance Deposit: A Performance Deposit will be required to be maintained for the duration of the Agreement in the amount of Forty Thousand Dollars ($40,000.00).

Evaluation Process

Proposers must pass Level I Requirements (Exhibit C of the RFP) in order to proceed to Level II evaluation. Level I will be a check and review by staff for required City of Los Angeles contract compliance and submittal documents, as well as a review of the proposer’s background and experience, contract history, business references and financial capability. Level II will be a comprehensive evaluation of the proposals by an independent panel of subject matter experts.

RFP Evaluation Criteria Areas

For the purposes of evaluation, the responsive proposals to Level I will be evaluated on the criteria below (Level II):

1) Business Plan (20 points)
2) Proposed Operational Plan (20 points)
3) Proposed Revenue-Sharing Payment (40 points)
4) Proposed Concession Improvements (20 points)
The RFP documents will be advertised in the Los Angeles Daily Journal, made available on the Department's website, and posted on the Los Angeles Business Assistance Virtual Network (LABAVN). A letter inviting proposals will also be mailed to organizations and individuals from a mailing list maintained by the Concessions Unit.

A mandatory conference and site walk will be held approximately two (2) weeks after the release of the RFP to provide potential proposers with a review of the submittal documents, City contract compliance documents, including requirements for the Business Inclusion Program as mandated by the Executive Directive No. 14, Villaraigosa Series, and the Board's policy (Report No. 12-050, approved February 15, 2012). The mandatory site walk will be conducted for potential proposers to view the facility to gain a better understanding of the Griffith Park Pony Ride Concession.

FISCAL IMPACT STATEMENT:

Releasing the Request for Proposals will have no impact on the Department’s General Fund.

This Report was prepared by LaTricia Jones, Management Analyst II, Partnership and Revenue Branch, Concessions Unit.