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PARK PROUD LA

August 18, 2017

REQUEST FOR PROPOSAL FOR THE OPERATION AND MAINTENANCE OF THE BICYCLE  
RENTAL CONCESSION (CON-M17-004)

**ADDENDUM NO. 1**

The Request for Proposal for the Operation and Maintenance of the Bicycle Rental Concession (RFP) has been modified as follows:

1. Section IV. Proposal Items, B. Business Plan – Refer to Section II objective of this RFP.

Replace paragraph five on page 4 with the following:

**Financial Projections and Planning**

Proposers are to complete and submit a Pro Forma Financial Statement Submittal Form (Submittal Form) for each location. The Submittal Form details the anticipated revenue and expenditures over the five year term of the Agreement and the additional five year extension option and should include rental fees and hourly rates in addition to anticipated number of transactions. Assumptions should be stated on the second tab of the Submittal Form.

A blank Submittal Form is provided as a reference in Exhibit F and is available online at the following link: <http://www.laparks.org/proposal.htm>. Click on the link to the “Bicycle Rental Concession RFP” and look for the Submittal Form link. Proposers should open and check the file and immediately report any problems to the RAP contact listed on the cover of this RFP.

To complete the Submittal Form, follow the instructions on the first tab of the spreadsheet. Proposers must submit the completed Submittal Forms with their proposal in two forms:

- One hardcopy for each location
- One electronic copy on CD, DVD, or USB Flash Drive

2. Section IV. Proposal Items, D. Financial Offer.

Replace paragraph four of the Financial Offer section on page 5 with the following:



Concessionaire shall pay the greater of:

- The minimum annual guarantee (MAG) of Twenty-Two Thousand Dollars (\$22,000.00) for the Lake Balboa/Beilenson Park location and Three Thousand Dollars (\$3,000.00) for the Griffith Park location

OR

- A percentage of gross receipts as bid by the Proposer. The minimum acceptable percentage is fifteen percent (15%) from all sales at the Griffith Park and Lake Balboa locations. The minimum payment commitment for future locations will be negotiated and determined by comparable existing bicycle rental operations.

If the minimum annual guarantee (MAG) is not met by December 31st of each calendar year, the difference between the actual payment received by RAP and the MAG will be due to RAP by January 15th for the preceding year. The MAG shall be pro-rated as necessary for the first year of operation or fractional part thereof, and for the final year of operation or fractional part thereof.

- Financial offer must be stated as a percentage of gross receipts. Refer to Exhibit E, Section 5.C, for the definition of gross receipts.
- Financial offer must be indicated on the Financial Bid Form (Exhibit G). A Financial Bid Form must be submitted for each location.
- The MAG and percentage fee must be indicated in the Pro Forma Financial Statement Submittal Form.
- Proposer must provide justification, based on their financial projections, planning, and relevant market research, that the proposed concession fee is competitive as well as sustainable and realistic.

All other information within Section IV. Proposal Items remains the same.

