February 16, 2017

REQUEST FOR PROPOSAL FOR THE OPERATION AND MAINTENANCE OF THE PEDAL BOAT RENTAL CONCESSION (CON-M16-003)

QUESTIONS & ANSWERS NO. 3

1. Question: Exhibit C identifies a required document called: “j. Compliance with First Source Hiring Ordinance. Please read the instructions in Exhibit I.E of Exhibit D” This document does not appear to be included in the 2nd page list in Exhibit D. Is this document required to be submitted with the proposal. Can you please supply the correct form?

Answer: First Source Hiring Ordinance (FSHO) compliance instructions can be found in Section E of the RFP Compliance Documents package (Exhibit D) under heading “Section E, Equal Benefits Ordinance Affidavit and First Source Hiring Ordinance.” The instructions direct you to complete these combined documents via webform available at www.labavn.org and submit them directly to the BAVN website.

2. Question: Section V.A. Level 1 Compliance Documents:

If we have compliance documents on file with BAVN do they need to be included with the bid?

Answer: Yes, all required compliance documents should be submitted per the RFP instructions.

3. Question: Section IV.2 Business Plan states: Note: “The On-Site Manager must have a minimum of five years experience in the management of a pedal boat rental business.”

a) Please define 5 years, most pedal boat business is seasonal so does that mean someone with 5 summers is qualified but someone with 1 ½ years full time experience is not?

b) Does this mean that a stellar employee may not advance to become a manager simply because they have not managed?

c) Does this mean that the current contractor demote his current managers that moved up to managing but do not have 5 years experience?

e) Does this mean that someone with 5 years experience in management other than pedal boats is not allowed to manage any of the sites?

Answer: The Department of Recreation and Parks (RAP) has revised the On-Site Manager experience. Please refer to Addendum No. 1, posted to RAP and LABAVN websites.
4. Question: Page 4 of the RFP states: “Proposers must provide a description of key personnel and their experience, including licenses and certifications.” We have qualified “corporate” resources and boathouse staff and managers at other locations who will support and monitor the performance of the local managers and staff. We can certainly identify those people and their experience. We plan to hire locally for managers and staff though. Therefore, we cannot identify specific people (and their experience) who we have not yet hired. For these position where we will hire locals if we are awarded the contract, should be list out qualifications and experience that we will hire for? If we do, will this hurt our scoring? If the answer to this last question is yes, it seems that only the incumbent could really answer the question as proposed.

Answer: Proposers should indicate in their responses their hiring plan to operate the concession. RAP will not penalize proposers for listing qualifications they will seek.

5. Question: The Agreement Section 7 lists minimum hours of operation (left blank for now). It then goes on to say “Hours of operation may not be changed without prior written approval of RAP”. Is this approval needed if we want to extend our minimum hours of operation? If not, can the sentence be changed to “Hours of operation may not be reduced below the minimum allowed without prior written approval of RAP.

Answer: Hours of operation may be proposed and, if approved, would be incorporated into the final Agreement. Once the Agreement is approved, any proposed changes in the hours of operation will need RAP approval.

6. Question: Section I.V. 3. Echo Park Lake location states: “Operating hours should coincide with the Café and are subject to RAP’s approval.

The current contractor is open 9:00 a.m. to sunset daily except Thanksgiving, Christmas and unsafe weather. They were able to establish the benchmark doing so. If the Café or RAP chooses to reduce hours will the minimum annual rent be reduced also?

Answer: RAP will not reduce the minimum annual rent.

7. RAP may add additional locations or remove locations during the term of this agreement period.

a) Does this include Echo and Balboa or is it in reference to possible new sites only?

Answer: This includes current and future locations.

b) Does the bidder also have the right to remove a site if it proves unprofitable or unsafe?

Answer: No
c) If RAP chooses to remove a site early is there any consideration or compensation for start up costs?

Answer: RAP would negotiate this option with the concessionaire.

8. Question: Business Plan states: “The General Manager may evaluate the operation at anytime and require additional lifeguards or other safety obligations. Concessionaire will be responsible for all costs associated with any certifications for employees and will reimburse City for any costs in the event that RAP staff assists in providing safety monitoring or assistance.”

a) Does this mean at anytime we might be required to provide more than the state safety plan?

Answer: RAP reserves the right to revise the safety plan to meet the needs of the public.

b) If the City chooses to require more expense on our part than stated in the safety plan do we then get to renegotiate the percentage rents?

Answer: No.

c) If the City requires additional costs unforeseen in the contract do we have the right to terminate the contract?

Answer: Refer to Sample Agreement Section 4, Term of Agreement.

9. Question: Section IV.4. Revenue-Sharing Payment states: Note: “Only one revenue-sharing payment proposal per submittal.”

Does this mean that percentage rents must be the same (unlike minimum annual rent?) at all locations or does this mean that we must submit just one revenue-sharing payment proposal per site?

Answer: Proposers should submit one revenue-sharing proposal per site.

10. Question: Section IV.4 Future Pedal Boat Locations 4.2 states: “A monthly reserve fund (Fund) payment in the amount of Two-Hundred ($200.00) per month for the purpose of repair, refurbishment, or replacement of equipment and capital improvement.”

a) Is this just for future locations?

b) Does it include all locations or each location?

Answer: A separate monthly fund is required for current and future locations.

c) What is the fund for when for example at Balboa, the City only owns the dock and pad and the rest of the equipment is owned by the contractor? At the end of 5 years that would be
$12,000.00 just for Balboa.

d) Would there be an exception if for example the contractor brought their own dock and concession stand at a new location?

*Answer:* See Sample Agreement Section 6 Improvements, A. Reserve Funds.

e) Is there an escrow account these funds are to be kept in and will there be a cap once a certain amount is reached?

*Answer:* The fund will be collected from the concessionaire during the agreement term and deposited into a designated account.

Question: Future Pedal Boat Locations 4.2: This section states that the amount of Two Hundred ($200.00) is required as payment for utilities."

a) Is this just for the new locations?

b) If this is for each location, as it is an increase of $150.00 per location. Will there be an actual break down of actual costs?

*Answer:* There is a utility payment required for each location and the City maintains the actual cost breakdown.

c) Will excess funds be returned?

*Answer:* No

d) Is the Echo Park Pedal Boat location helping to cover the Café's utilities?

*Answer:* No, Beacon Echo Park pays a separate utility fee.

11. Question: Do we need to propose a rent (% and minimum guaranteed amount) for future boathouse locations as part of our proposal?

*Answer:* No, only for Echo Park Lake and Lake Balboa.