

REPORT OF GENERAL MANAGER


NO. 04-112

DATE April 7, 2004

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: ECONOMIC CONSULTANT CONTRACT – SUPPLEMENTAL AGREEMENT TO EXTEND TERM AND INCREASE COMPENSATION LIMIT FOR AS-NEEDED CONSULTING SERVICES – PULSE MARKETING

H. Fujita _____	F. Mok _____
J. Kolb _____	K. Regan _____
*G. Stigile _____	K. Chan _____
M. Mariscal _____	J. Combs _____



 General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve the attached Supplemental Agreement to extend the term of the existing contract for as-needed economic consulting services with Pulse Marketing (Contract No. 2980) for an additional three (3) year period;
2. Increase the maximum compensation from \$150,000.00 to \$300,000.00; and,
3. Direct the Board Secretary to transmit the proposed Supplemental Agreement to the Mayor in accordance with Executive Directive No. 16, concurrently to the City Attorney for review as to form, prior to execution by the Board.

SUMMARY:

On October 5, 2000, the Board executed Contract No. 2980 between the City of Los Angeles and Pulse Marketing for as-needed economic research and analysis services. Contract No. 2980 was for a term of three (3) years, with maximum compensation to the consultant of \$150,000.00.

The consultant provided services on an as-needed basis in the evaluation of proposed and existing high revenue concession activities at Department facilities where expert economic evaluation is required, including market feasibility studies, portfolio and investment analysis, income stream and other financial analysis.

Prior to expiration of the original term, Pulse Marketing was engaged in development and conduct of

REPORT OF GENERAL MANAGER

PG. 2 NO. 04-112

a survey pertaining to Golf facility improvements. This survey work has been an ongoing part of Golf Division planning efforts and will provide valuable insight in the development of a master plan for our golf facilities. It is anticipated that this continuing effort will also cost an amount in excess of the current expenditure limit for this contract; therefore, the compensation limit is requested to be increased from the current \$150,000.00 to a maximum amount, not to exceed, of \$300,000.00. To date current contract expenditures total \$61,450.00.

The Board should note that compensation to the consultant will not exceed one-hundred thousand dollars (\$100,000.00) per year and these services are paid from the Department's Concession Improvement Account, Golf Improvement Account, or Golf Surcharge Account, as applicable. Additionally, the recommended Supplemental Agreement is in compliance with all Department and City procedures, policies, and laws applicable to Supplemental Agreements. Principals of this firm are not employees or officials of the City; are free to make recommendations or perform the services specified in the contract; and have not authority, with respect to the City's decision relating to the project, beyond fulfilling the provisions of the contract.

Report prepared by Heather Tarumoto and Michael Honan, Administrative Resources Division.
Attachment