



CITY OF LOS ANGELES  
DEPARTMENT OF RECREATION AND PARKS

# Request for Proposals (RFPs)

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## CONCESSIONS

Presented To the Board of  
Recreation & Park Commissioners  
October 21, 2009



# What is a Concession?

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A concession is a revenue generating activity or service operated or provided on Department property by a contract or permit for the benefit, enjoyment, education, amusement, or convenience of the public.

Los Angeles City Charter Section 590



# Examples of Concessions

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Food and Beverage Operations  
Concert Venues  
Golf Driving Ranges  
Golf and Tennis Professional Shops  
Golf and Tennis Lessons  
Equestrian Centers  
Amusement Rides  
Bicycle Rentals  
Vending Machines  
Electronic Game Arcade  
Batting Cages  
Gift Shops



# RAP Concession Goals

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- 1) Provide the public with the best and most satisfactory recreational experience from the concession;
- 2) Ensure that the City receives adequate and appropriate compensation from private concessionaires allowed to operate on park property.



# Selection Process for Concessionaires / Request for Proposals (RFPs)

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Los Angeles City Charter Sections 371 and 372 and Los Angeles Administrative Code Section 10.15(b) require competition for concession contracts valued at \$25,000 or more.

Because price is not the only factor, an RFP process is the method by which the legal requirement for competitive proposals is satisfied.



## Request for Proposal – Process Summary

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1. Solicit Proposals
2. Evaluate Proposals
3. Award a Contract
4. Execute a Contract



# Request for Proposal – Process Details

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1. Department Preparation for RFP
2. Department Drafting of the RFP
3. RFP Review and Approval for Release
4. Preparation for the Release of the RFP
5. Release of the RFP
6. Proposers Conference
7. RFP Modifications and/or Clarifications
8. Proposal Submittal
9. Proposal Evaluation
10. RAP General Mgr's Board Report Recommending Award
11. RAP Board Approval of Award
12. City Attorney Approval
13. Mayor Review (ED-3)
14. City Council Approval
15. US Army Corps of Engineers
16. Cancellation Process
17. Contract Execution



## Step 1: Department Preparation for RFP

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- A) Submit the Notification of Intent to Contract form to the City Administrative Office (CAO) - Employee Relations Section.

This process allows notification to the Unions that the department intends to contract out a service or activity.

The affected Union may then request a meeting to discuss the proposed contract and state their opinions and recommendations on its impact on their members.



## Step 1: Department Preparation for RFP

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- B) Prepare a Charter Section 1022 Determination Request.

(Charter Section 1022 prohibits contracting out work that could be done by City employees unless the RAP Board determines it is more economical or feasible to contract out.)

The Department submits a request to the Personnel Department to determine if a City Civil Service Classification exists that could perform this work.



## Step 1: Department Preparation for RFP

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- C) Determine Insurance Requirements through the RAP - Risk Management Section.
  
- D) Determine the projected results of a reasonable Good Faith Effort (Subcontractor Outreach) in cooperation with the Mayor's Office (determine suggested portions of the concession that may be appropriate for subcontracting).



## Step 2: Department Drafting of the RFP

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- A) Ensure the RFP follows a consistent format and structure to ensure proposers are aware of submittal items.
- B) Determine and include the scope of work.
- C) Determine and include the concession-specific improvements required.
- D) Determine and include the RFP Proposal Evaluation Criteria and Criteria Weight.



## Step 2: Department Drafting of the RFP

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- E) Determine and include the projected results of a reasonable Good Faith Effort (Subcontractor Outreach) and suggestions for portions of the work that may be appropriate for subcontracting.
  
- F) Include the Department's Sample Concession Agreement which contains the standard operating requirements and general terms and conditions.



## Step 3: RFP Review and Approval for Release

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### Review

- A) RAP Management (Review by Division)
- B) Applicable Advisory Committees (Review only)  
(example: the Golf Advisory Committee and  
the Greek Theatre Advisory Committee)
- C) RAP GM Board Report Recommending  
release of the RFP
- D) City Attorney (Review as to form)
- E) RAP Commission Task Force on Concessions  
(Public Discussion and Review)



## Step 3: RFP Review and Approval for Release

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### Approval

F) Board of Recreation and Park  
Commissioners approval to release the  
RFP



## Step 4: Preparation for the Release of the RFP

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- A) Release Date
- B) Submittal Due Date
- C) Proposers Conference Date & Location
- D) Proposers Conference Agenda
- E) Site Tour/Walk-Through Date
- F) Notice Inviting Proposals (for mailing list)
- G) Advertisements



## Step 5: Release of the RFP

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- A) Newspaper Advertisement  
(This is the only advertising method that is required)
- B) Trade Magazines (if applicable)
- C) Department Concession Website
- D) Los Angeles Business Assistance  
Virtual Network (LABAVN)
- E) Mailing List



## Step 6: Proposers Conference

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- A) Sign In
- B) Agenda and Introduction
- C) Concession Background and Scope of Work
- D) RFP Review for Submittal Documents
- E) RFP Review for Compliance Documents
- F) Good Faith Effort (Subcontractor Outreach) Review  
Explain the required steps in making the outreach effort.  
Explain suggested areas in which subcontracting for the concession may be appropriate.
- G) Evaluation Criteria Review
- H) Questions



## Step 7: RFP Modifications and/or Clarifications

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Modifications and/or clarifications (including answers to written questions) are provided by addendum to the RFP.

Potential proposers are notified of addenda, providing modifications and/or clarifications of the RFP by mail and on the Department Concession Website. All attendees of the Proposers Conference are notified by mail.



## Step 8: Proposal Submittal

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- A) RAP Board Office receives proposals.
- B) RAP Board Office opens proposals, makes official record of proposals and retains one copy of each proposal.
- C) RAP Concession Staff picks up proposals and stores in a secure area.



## Step 9: Proposal Evaluation

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### Level I

Review of Proposal by RAP Staff for completeness and responsiveness to RFP requirements (compliance and submittal documents).

### Level II

Evaluation Panel review and scoring. Evaluation panelists will be recommended by RAP staff and approved by the General Manager and shall not include Commissioners.

NOTE: Proposals must pass Level I in order to move on to Level II.



## Step 9: Proposal Evaluation

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### Level I – Review of proposal documents by RAP staff:

- a) Cover Letter
- b) Proposal Deposit
- c) Compliance Documents
- d) Qualifications and Background
- e) Financial Information
- f) Business Plan
- g) Concession Improvements (Required & Optional)
- h) Other Proposal Items Specific to the Concession

The review of proposal documents is to ensure that they were included in the proposal and properly completed - i.e. that the proposal is responsive. The proposal documents are not evaluated or scored until Level II.



## Step 9: Proposal Evaluation

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### Level I – Review of Compliance Documents:

#### a) Good Faith Effort (GFE) Subcontractor Outreach

Outreach efforts are scored on a 10-item (100 points) test according to the Board's policy (Board Report No. 177-89). The expected participation levels are not scored whether achieved or not. The remaining nine items are scored either zero or all points possible for that particular part of the outreach effort. A score of 75 points or more is a passing score. A score of less than 75 points fails and the proposal is non-responsive and disqualified.

#### b) Proposers Signature Declaration and Affidavit

The form must contain proper signatures and must be notarized.



## Step 9: Proposal Evaluation

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### Level I – Review of Compliance Documents:

#### c) Disposition of Proposals

The proposal documents are public records subject to disclosure pursuant to the California Public Records Act (Government Code Section 6250, et. seq.) once a recommendation is made public. Only privileged information, such as trade secrets, may be protected from disclosure. The burden is on the proposer to indemnify and defend the City from non-disclosure of portions of the proposal containing information exempted from disclosure by the California Public Records Act.

#### d) Affirmative Action Plan

The objective of the EEO/Affirmative Action Section is to ensure compliance with the City's Nondiscrimination, Equal Employment Opportunity and Affirmative Action Programs for contractors and vendors doing business with the City; to promulgate the required rules, regulations and forms necessary to ensure compliance with the Los Angeles Administrative Code; and to engage in research, education, assistance and enforcement directing contractors' and vendors' efforts toward applying good faith outreach in a nondiscriminatory manner to recruit and employ minority, women and all other potential staff.



## Step 9: Proposal Evaluation

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### Level I – Review of Compliance Documents:

#### e) Living Wage / Service Contractor Worker Retention

The Living Wage Ordinance was adopted in May 1997 and requires employers who have agreements with the City to pay their employees at least a specified (above minimum) “living wage” and to either provide certain benefits or additional hourly pay. Applies to agreements valued at \$25,000 or more with a term of at least three months.

Requirement as of July 1, 2009: \$10.30 per hour + \$1.25 in health benefits or \$11.55 per hour with no health benefits.



## Step 9: Proposal Evaluation

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### Level I – Review of Compliance Documents:

#### f) Contractor Responsibility Questionnaire

The Contractor Responsibility Ordinance was adopted in November 2000 and requires that each department make a determination as to whether prospective contractors are responsible and capable of fully performing the work before a City contract is awarded. The ordinance requires prospective contractors to complete a questionnaire that will be posted on the Internet (City's Website) for 14 calendar days prior to the award of a contract for public review.

#### g) Equal Benefits Statement

The Equal Benefits Ordinance (EBO) was adopted in January 2000 and requires that City contractors who provide benefits to employees with spouses must provide the same benefits to employees with domestic partners. Applies to agreements valued at \$5,000 or more.



## Step 9: Proposal Evaluation

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### Level II – Panel Evaluation Review

The panel will consist of a three (3) or five (5) member panel whose names and a brief summary of their qualifications shall be provided to the General Manager for written approval. The members may be any combination of:

- Non-Departmental City employees with concession RFP and contract experience.
- Non-Departmental City employees with other sufficient RFP and contract experience.
- Other governmental employees with comparable concession RFP and contract experience.
- Professionals in the industry of the concession.
- An economic consultant may be used to recruit panel members for the more complex RFPs. The request to utilize a consultant must be included in the Board Report for approval of the RFP.
- Department employees may be utilized on a case by case basis.



## Step 9: Proposal Evaluation

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### Level II – Panel Evaluation Review

The panelists will evaluate the written proposals and may interview proposers for the purpose of clarifying matters in the proposals or to respond to questions about the proposal from the evaluation panel.

The panelists will be required to sign a disclosure form stating they have no biases or other conflicts of interest that would preclude or appear to the public to preclude them from providing a fair evaluation of the proposals. The panelists will also be required to sign the scoring sheets and attest that the scores are based on their own review and discussion with the other panelists.



## Step 10: RAP General Manager's Board Report Recommending Approval

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- A. Staff drafts the Board Report with the findings to justify the recommendation of approval to award a contract.
- B. The terms and conditions proposed by the recommended proposer are integrated with the Sample Concession Agreement to form a proposed contract and filed with the Board Office.



## Step 11: RAP Board Approval of Award

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- Pursuant to Los Angeles Administrative Code Section 10.1.1, the Head of the Department shall approve any contract that is for a period of longer than one year or over twenty-thousand dollars.
- The RAP Board, as the Head of the Department of Recreation and Parks, makes the ultimate decision on which proposer shall be awarded the contract.
- Pursuant to Los Angeles Municipal Code Section 49.5.17, RAP Board members shall not participate in the development, review, evaluation, negotiation and recommendation process of RFPs for the award of a contract, except to participate in discussions at public meetings about the RFP process or staff recommendation for award of contract.



## Step 12: City Attorney Approval (as to form)

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Pursuant to Los Angeles City Charter Section 370 and Los Angeles City Administrative Code Section 10.2, every contract must be approved by the City Attorney as to form, except for contracts involving the sum of \$1,000 or less, for the purchase of professional and personal services.



## Step 13: Mayor Review (Executive Directive 3)

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Pursuant to Executive Directive 3 (Executive Review and Approval of Departmental Requests for Regular and Semi-Proprietary Departments) issued on 10/20/2005, the Office of the Mayor must review all professional and personal service contracts that are over \$25,000 in value and over three months in duration; or that are not funded in the adopted budget (regardless of amount or term).



## Step 13: Mayor Review (Executive Directive 3)

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The Office of the Mayor may forward the recommendation for award to the City Administrative Officer (CAO) to review and prepare an analysis.

The CAO will recommend approval, denial, or return for further information.



## Step 14: City Council Approval

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Pursuant to Los Angeles Administrative Code Section 10.5, contracts exceeding three years require City Council approval. This includes amendments extending the time past the three years without an intervening competitive process (provided the annual value exceeds \$100,000 adjusted annually in accordance with the Consumer Price Index).

Recommendations for RAP award of contracts are referred to the Arts, Parks, Health, and Aging Committee for review and public discussion.



## Step 14: City Council Approval

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Pursuant to Los Angeles Administrative Code 10.5.A, the City Council shall have 60 days from the date the contract is transmitted by the Board and received by the City Clerk to approve it. The contract shall be deemed approved if the Council does not disapprove it within this period.

If the Council disapproves the contract, the Council shall not modify the contract, but shall return it to the RAP Board for reconsideration and resubmission to the Council.



## Step 15: U.S. Army Corps of Engineers Review

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Pursuant to the lease agreements for the Sepulveda Flood Control Basin and Hansen Dam Flood Control Basin, all applicable concession agreements will be reviewed by the U. S. Army Corps of Engineers.

There are currently fifteen (15) concession agreements that are located within the boundaries of the two flood control basins.



## Step 16: Cancellation Process

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At times there may be a need to cancel a Request for Proposal, reject all proposals, and return proposal deposits and proposals:

- A) RAP Concession Staff Recommendation to Executive Staff (Board Report approved by General Manager)
- B) RAP Commission Task Force on Concessions (public discussion and review)
- C) RAP Board Approval
- D) Notification to Proposers (if approved for cancellation)
- E) Return all proposal documents to respective proposers, including proposal deposits.



## Step 16: Contract Execution

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A) RAP Concession Staff ensures that all documents required to be submitted by the successful proposer have been properly submitted. Failure of the successful proposer to submit the required documents within 30 days, or such lesser time as specified in the RFP, of award shall cause the proposal to be deemed non-responsive and will result in cancellation of the award and forfeiture of the proposal deposit:

- Proof of Insurance
- Performance Deposit
- Americans with Disabilities Act Certification
- Los Angeles Residence Information
- Living Wage Ordinance (additional forms)
- Service Contract Worker Retention Ordinance (additional forms)
- Slavery Disclosure Affidavit
- Contractor Pledge of Compliance
- Business Tax Registration Requirements



## Step 17: Contract Execution

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B) Board Office obtains contract signatures:

- Awardee (Concessionaire)
- RAP Board - Board President or two other members.
- RAP Board Secretary
- City Attorney



## Step 16: Contract Execution

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- C) Board Office distributes copies of the contract:
- RAP Board Office File
  - RAP Concessionaire
  - RAP Concession Unit
  - RAP Accounting Staff
  - U. S. Army Corps of Engineers (if applicable)



# Areas of Focus

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The process described ensures that the RFP process is transparent to the public and clear to potential proposers by ensuring that:

- A) All RFPs will be authorized by the RAP Board prior to release;
- B) All concession agreements valued at more than \$20,000 or with a term longer than one-year will be approved by the RAP Board;
- C) All concession agreements valued at \$20,000 or less and with a term of one-year or less will be approved by the RAP General Manager;



# Areas of Focus

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- D) The evaluation criteria is included in the RFP and weighted;
- E) The evaluation panelists do not have conflicts which would preclude them from serving on the panel;
- F) There is no interference with the panelist's evaluation process; and
- G) The rules governing the competitive process are followed.



# The End

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Prepared by  
The Department of Recreation and Parks  
Concessions Unit

Website: <http://www.laparks.org/dos/concession/concession.htm>