

**APPROVED**  
NOV 19 2007

REPORT OF GENERAL MANAGER

NO. 07-277

DATE November 19, 2007

**BOARD OF RECREATION  
and PARK COMMISSIONERS**

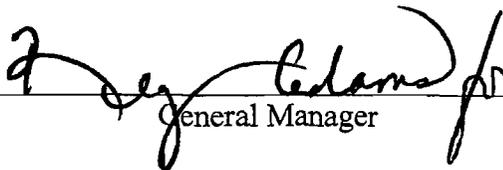
C.D. 4

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: GRIFFITH RIVERSIDE TENNIS COMPLEX AND VERMONT CANYON  
TENNIS COMPLEX - CONCESSION AGREEMENT FOR  
PROFESSIONAL TENNIS

R. Adams \_\_\_\_\_  
H. Fujita \_\_\_\_\_  
S. Huntley \_\_\_\_\_  
V. Israel \_\_\_\_\_

J. Kolb \_\_\_\_\_  
\*F. Mok 2m.  
K. Regan \_\_\_\_\_  
M. Shull \_\_\_\_\_

  
\_\_\_\_\_  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board:

1. Award the Griffith Riverside and Vermont Canyon Tennis Professional Concession to LA Tennis Incorporated;
2. Find, in accordance with Charter Section 1022, that the Department does not have personnel available in its employ with sufficient time and expertise to undertake these specialized professional tasks and that it is more feasible and more economical to secure these services by contract;
3. Approve a proposed three-year concession agreement, substantially in the form on file in the Board Office, subject to approval of the Mayor, in accordance with Executive Directive No. 3, and approval of the City Attorney as to form;
4. Direct the Board Secretary to transmit the proposed agreement to the Mayor and City Attorney for approval as to form; and,
5. Authorize the Board President and Secretary to execute the subject agreement subsequent to the necessary approvals.

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### SUMMARY:

The Griffith Riverside Tennis Complex is located at the corner of Riverside Drive and Los Feliz Boulevard, at the Griffith Park Recreation Center, and consists of twelve lighted tennis courts. Four tennis courts (courts 2, 4, 9, and 10) and the tennis pro office (located adjacent to courts 9 and 10) will be available for use by the operator. There is also a pay tennis facility operated and maintained by the Department.

The Vermont Canyon Tennis Complex is located in the foothills of Griffith Park on Vermont Avenue, and consists of twelve unlighted, fast-play hard courts. Two tennis courts (courts 3 and 4) and the tennis professional office will be available to facilitate the operation of the concession. There is also a pay tennis facility operated and maintained by the Department.

The Griffith Riverside and Vermont Canyon Tennis Concession (GRVC) has been operated by Griffith Park Tennis on a revocable 30-day permit since November 1, 2000. In calendar year 2006 the two facilities together generated \$86,553 in gross receipts and \$15,298 in rent to the Department.

On January 8, 2006, a Request for Proposal (RFP) was advertised to the public to solicit proposals for the operation of professional lessons and the on-site professional shop to provide tennis related items and services. On February 28, 2006, the following proposals were received:

- LA Tennis Incorporated
- Atonal Tennis, Inc.
- i-Tennis
- Griffith Park Tennis
- Innovative Tennis, LLC

As stipulated in the RFP, staff performed a Level I review of the following required documents:

#### Compliance Documents:

- 1) Affidavit of Non-collusion
- 2) Disposition of Proposals
- 3) Affirmative Action Plan
- 4) Living Wage Ordinance (LWO) and Service Contractor Worker Retention Ordinance (SCWRO) exemptions, *if applicable*
- 5) Contractor Responsibility Questionnaire
- 6) Equal Benefits Ordinance Statement

#### Submittal Documents:

- 1) Business Plan

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- 2) Qualifications and Experience
- 3) Pro Forma
- 4) Capital Improvements (optional)
- 5) Equipment and Furnishings
- 6) Proposed Rental Percentage
- 7) Proposal Deposit

Proposals are either Responsive (pass) or Non-Responsive (fail). The following is the complete Level I findings:

- LA Tennis Incorporated, was found Responsive in all six compliance documents and all seven submittal documents (Attachment A).
- Atonal Tennis, Inc., was found Responsive in all six compliance documents and all seven submittal documents (Attachment B).
- i-Tennis was found Responsive in all six compliance documents and all seven submittal documents (Attachment C).
- Griffith Park Tennis was found Responsive in all six compliance documents and all seven submittal documents (Attachment D).
- Innovative Tennis, LLC, was found Responsive in all six compliance documents and all seven submittal documents (Attachment E).

On May 1, 2007, the Minority Business Opportunity Committee (MBOC) granted a waiver for the Good Faith Effort Outreach due to the lack of available subcontractors and lack of subcontracting opportunities (Attachment F).

On May 17, 2007, the Personnel Department completed a Charter Section 1022 review (Attachment G) and determined that the Department had City classifications which met the minimum qualifications to provide tennis lessons to the public. However, the quality of the lessons and the ability to independently manage a tennis program on a day-to-day basis requires expertise that a Park Service Attendant, Recreation Assistant, or a Recreation Instructor is unable to provide. The tennis instructors are required to hold certifications from the United States Professional Teachers. Compensation at the rate of the City classifications would make it extremely difficult to find and retain qualified instructors; therefore, it would be more feasible to contract out the service to ensure a sufficient level of instruction to meet the needs of the public.

Based on a cost benefit analysis it would cost the Department \$145,740 to perform the service in-house (Attachment H). With gross concession revenue of \$86,553 for calendar year 2006, the

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Department would have operated at a loss of \$59,187. The concessionaire's rent is proposed to be \$72,000 per year; therefore it is also more economical to contract out the service.

A three-member panel with backgrounds in tennis, finance, and contract management was assembled to evaluate proposals, interview the proposers, and recommend an operator. The panel members were:

- Wayne Pulliam, a long-time participant in a Los Angeles tennis club
- Karen Freire, Department of Recreation and Parks
- Sean Hinton, Department of Recreation and Parks

The panel ranked the proposals according to each of the evaluation criteria listed in the RFP and recommended a proposer that best met the objectives of the RFP.

The panel stated that they believed LA Tennis, Incorporated had the best understanding of the needs of the community and how to provide for those needs, the best vision and business plan, the most appropriate improvements to the location, and the best financial return to the City. The panel believed LA Tennis, Incorporated's vision and business plan demonstrated the greatest understanding of the needs of the community based in part: (1) on their wide variety of new and innovative programs for various skill levels and ages, including programs targeted to seniors; (2) their sense of the community's health and fitness concerns through partnerships, and plans to secure grants from health organizations; and, (3) their plans to always have management on the premises.

The evaluation panel's final general average score and ranking are as follows:

<u>Proposer</u>	<u>Score</u>	<u>Rank</u>
LA Tennis, Inc.	47.3	1
Innovative Tennis, LLC	47.0	2
Atonal Tennis, Inc.	46.0	3
iTennis	30.0	4
Griffith Park Tennis	29.3	5

L.A. Tennis, Incorporated proposed to pay the City rent in the following percentages of the gross receipts for lessons: Year One - 12%; Year Two - 13%; and, Year Three - 14%. Rental percentage of the gross receipts from retail sales is 5% for all three years. LA Tennis, Incorporated proposed improvements to the facilities that are appropriate, feasible and able to be completed quickly. They will paint and install new carpet for the pro shop within 60 days of the execution of the concession agreement.

The two principals in LA Tennis, Incorporated have worked at this tennis concession site under the current management for eight years. In all, the principals each have approximately 20 years

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of experience in teaching tennis.

Subsequent to the panel's ranking, staff continued their analysis of the proposals and reviewed trade and financial references. As a result, staff supports the panel's recommendation of LA Tennis, Incorporated for the award of this concession.

FISCAL IMPACT STATEMENT:

During the three-year term of the concession agreement, it is estimated that approximately \$216,000 will be paid in rent to the Department. Of that amount, \$194,400 will be deposited in the Department's General Fund and \$21,600 will be deposited into the Concession Improvement Account (Fund 302, Department 89, Account 070K). The pro shop will be painted and carpeted at the contractor's expense.

Report prepared by Shaun Larsuel, Management Analyst, Concessions Unit, Administrative Resources Section, Finance Division.

**LA TENNIS, INC.**  
**GRIFFITH RIVERSIDE AND VERMONT CANYON TENNIS PROFESSIONAL RFP**  
**LEVEL I EVALUATION**

<b>I. Compliance Documents</b>		<b>Submitted</b>	<b>In Compliance</b>	<b>Comments</b>
	Affidavit of Non-Collusion	Yes	Yes	
	Disposition of Proposals	Yes	Yes	
	Affirmative Action Plan (Non-Discrimination / Equal Employment / Affirmative Action)	Yes	Yes	
	Living Wage / Service Contractor Worker Retention	No	Yes	Submittal of documents is only required if an exemption is requested. Non-submittal indicates acceptance of requirements.
	Contractor Responsibility Questionnaire	Yes	Yes	
	Equal Benefits Statement	Yes	Yes	
	Good Faith Effort Outreach (Minority, Women, Other Business Enterprises Schedule)	waived	waived	Due to the lack of subcontractor outreach availability - item was waived by LAMBOC

<b>II. Submittal Documents</b>		<b>Submitted</b>	<b>In Compliance</b>	<b>Comments</b>
	Business Plan	Yes	Yes	
	Qualifications and Experience	Yes	Yes	
	Pro Forma	Yes	Yes	
	Capital Improvements (optional)	Yes	Yes	
	Equipment and Furnishings	Yes	Yes	
	Proposed Rental Percentage	Yes	Yes	
	Proposal Deposit	Yes	Yes	

**ATONAL TENNIS, INC.**  
**GRIFFITH RIVERSIDE AND VERMONT CANYON TENNIS PROFESSIONAL RFP**  
**LEVEL I EVALUATION**

<b>I. Compliance Documents</b>	<b>Submitted</b>	<b>In Compliance</b>	<b>Comments</b>
Affidavit of Non-Collusion	Yes	Yes	
Disposition of Proposals	Yes	Yes	
Affirmative Action Plan (Non-Discrimination / Equal Employment / Affirmative Action)	Yes	Yes	
Living Wage / Service Contractor Worker Retention	No	Yes	Submittal of documents is only required if an exemption is requested. Non-submittal indicates acceptance of requirements.
Contractor Responsibility Questionnaire	Yes	Yes	
Equal Benefits Statement	Yes	Yes	
Good Faith Effort Outreach (Minority, Women, Other Business Enterprises Schedule)	waived	waived	Due to the lack of subcontractor outreach availability - item was waived by LAMBOC

<b>II. Submittal Documents</b>	<b>Submitted</b>	<b>In Compliance</b>	<b>Comments</b>
Business Plan	Yes	Yes	
Qualifications and Experience	Yes	Yes	
Pro Forma	Yes	Yes	
Capital Improvements (optional)	Yes	Yes	
Equipment and Furnishings	Yes	Yes	
Proposed Rental Percentage	Yes	Yes	
Proposal Deposit	Yes	Yes	

**i-TENNIS  
GRIFFITH RIVERSIDE AND VERMONT CANYON TENNIS PROFESSIONAL RFP  
LEVEL I EVALUATION**

<b>I. Compliance Documents</b>	<b>Submitted</b>	<b>In Compliance</b>	<b>Comments</b>
Affidavit of Non-Collusion	Yes	Yes	
Disposition of Proposals	Yes	Yes	
Affirmative Action Plan (Non-Discrimination / Equal Employment / Affirmative Action)	Yes	Yes	
Living Wage / Service Contractor Worker Retention	No	Yes	Submittal of documents is only required if an exemption is requested. Non-submittal indicates acceptance of requirements.
Contractor Responsibility Questionnaire	Yes	Yes	
Equal Benefits Statement	Yes	Yes	
Good Faith Effort Outreach (Minority, Women, Other Business Enterprises Schedule)	waived	waived	Due to the lack of subcontractor outreach availability - item was waived by LAMBOC

<b>II. Submittal Documents</b>	<b>Submitted</b>	<b>In Compliance</b>	<b>Comments</b>
Business Plan	Yes	Yes	
Qualifications and Experience	Yes	Yes	
Pro Forma	Yes	Yes	
Capital Improvements (optional)	Yes	Yes	
Equipment and Furnishings	Yes	Yes	
Proposed Rental Percentage	Yes	Yes	
Proposal Deposit	Yes	Yes	

**GRIFFITH PARK TENNIS  
GRIFFITH RIVERSIDE AND VERMONT CANYON TENNIS PROFESSIONAL RFP  
LEVEL I EVALUATION**

<b>I. Compliance Documents</b>		<b>Submitted</b>	<b>In Compliance</b>	<b>Comments</b>
	Affidavit of Non-Collusion	Yes	Yes	
	Disposition of Proposals	Yes	Yes	
	Affirmative Action Plan (Non-Discrimination / Equal Employment / Affirmative Action)	Yes	Yes	
	Living Wage / Service Contractor Worker Retention	No	Yes	Submittal of documents is only required if an exemption is requested. Non-submittal indicates acceptance of requirements.
	Contractor Responsibility Questionnaire	Yes	Yes	
	Equal Benefits Statement	Yes	Yes	
	Good Faith Effort Outreach (Minority, Women, Other Business Enterprises Schedule)	waived	waived	Due to the lack of subcontractor outreach availability - item was waived by LAMBOC

<b>II. Submittal Documents</b>		<b>Submitted</b>	<b>In Compliance</b>	<b>Comments</b>
	Business Plan	Yes	Yes	
	Qualifications and Experience	Yes	Yes	
	Pro Forma	Yes	Yes	
	Capital Improvements (optional)	Yes	Yes	
	Equipment and Furnishings	Yes	Yes	
	Proposed Rental Percentage	Yes	Yes	
	Proposal Deposit	Yes	Yes	

**INNOVATIVE TENNIS, LLC  
GRIFFITH RIVERSIDE AND VERMONT CANYON TENNIS PROFESSIONAL RFP  
LEVEL I EVALUATION**

<b>I. Compliance Documents</b>		<b>Submitted</b>	<b>In Compliance</b>	<b>Comments</b>
	Affidavit of Non-Collusion	Yes	Yes	
	Disposition of Proposals	Yes	Yes	
	Affirmative Action Plan (Non-Discrimination / Equal Employment / Affirmative Action)	Yes	Yes	
	Living Wage / Service Contractor Worker Retention	No	Yes	Submittal of documents is only required if an exemption is requested. Non-submittal indicates acceptance of requirements.
	Contractor Responsibility Questionnaire	Yes	Yes	
	Equal Benefits Statement	Yes	Yes	
	Good Faith Effort Outreach (Minority, Women, Other Business Enterprises Schedule)	waived	waived	Due to the lack of subcontractor outreach availability - item was waived by LAMBOC

<b>II. Submittal Documents</b>		<b>Submitted</b>	<b>In Compliance</b>	<b>Comments</b>
	Business Plan	Yes	Yes	
	Qualifications and Experience	Yes	Yes	
	Pro Forma	Yes	Yes	
	Capital Improvements (optional)	Yes	Yes	
	Equipment and Furnishings	Yes	Yes	
	Proposed Rental Percentage	Yes	Yes	
	Proposal Deposit	Yes	Yes	

INTER DEPARTMENTAL CORRESPONDENCE

Attachment F

DATE: 3/14/2007

TO: LA MBOC, MAYOR'S OFFICE OF ECONOMIC DEVELOPMENT  
ATTN: DAVID MORA FAX#: 213/978-0690  
FROM: Robert N. Morales Phone: (818) 243-6421 Fax: (818) 243-6451  
Dept/Div: Recreation & Parks / Finance Divisions / Concessions E-mail: robert.morales@lacity.org

SUBJECT: MBE/WBE/OBE RECOMMENDATION FOR GOOD FAITH EFFORT CONTRACT NO.  
In compliance with Executive Directive No. 2001-26, City of Los Angeles Minority, Women and Other Business Enterprise (MBE/WBE/OBE) Program, please fill out the following:

- 1. Title of Project: Griffith Riverside & Vermont Canyon Tennis Professional - Concession Agreement
- 2. This project will be advertised as an: RFB X RFP RFQ Other: \_\_\_\_\_
- 3. Type of Contract: Procurement X Personal Services Construction
- 4. Projected total amount of the contract: \$240,000 Estimated duration of project: 3 years
- 5. Significant Dates:  
Estimated date of pre-bid or job walk meeting: \_\_\_\_\_  
Estimated date that bids or proposals are due: \_\_\_\_\_
- 6. Recommendations:  
MBE/WBE/OBE encouragement:

Justify why encouragement:

x Technical Requirement x Lack of available subcontractors  
x Lack of available subcontract sub-supply opportunities \_\_\_\_\_ One product single point of distribution

Other: \_\_\_\_\_

7. MBE/WBE/OBE Good Faith Effort required:  
Level of participation is as follows: \_\_\_\_\_ %MBE \_\_\_\_\_ %WBE \_\_\_\_\_ %OBE

8. Is this a: X New Contract \_\_\_\_\_ Renewal \_\_\_\_\_ Other

9. Name of previous contractor: Jerry & Nabil Najjar Length of previous contract: 3 years Value of previous: \$240,000

ATTN: Robert Morales  
FROM: LA MBOC, MAYOR'S OFFICE OF ECONOMIC DEVELOPMENT

SUBJECT: RESPONSE TO ABOVE REQUEST

Recommendation approved \_\_\_\_\_ Available Subs APD Initials  
 Recommendation disapproved \_\_\_\_\_ Available Opportunities \_\_\_\_\_ Initials

Other/Comment: Dept is committed to increasing M/WBE participation on future contract opportunities

By: Amy Dechaudon Date: 3/22/07 Tel. No.: 213/978-1894

# PERSONNEL DEPARTMENT CONTRACT REVIEW REPORT

1. Requesting Department: Recreation and Parks

Attachment G

2. Contacts

Department: Robert Morales Phone (818) 243-6421 Fax No. (818) 243-6451  
 CAO: Veronica Salumbides Phone (213) 473-7561 Fax No. (213) 473-7514

3. Work to be performed:

The Department of Recreation and Parks is seeking an individual or vendor to operate the tennis professional concession at the Griffith Riverside and Vermont Canyon Tennis Complexes. The services to be provided consist of: top-quality instruction, including private and group lessons; junior programs; and may provide other tennis-related services such as racquet stringing. The sale of snacks and drinks is optional. In addition, the Department expects the contractor to optimize visitor participation; assess, provide and install any necessary furnishings or equipment; and display awareness of the demographics and special needs of the community.

4. Is this a contract renewal? Yes  No

5. Proposed length of contract: 3 years Proposed Start Date: May 2, 2007

6. Proposed cost of contract (if known): \$71,000 (gross revenue generating)

7. Name of proposed contractor: Unknown

8. Unique or special qualifications required to perform the work:

Knowledge of the rules and regulations for the game of tennis and experience in providing tennis instruction, racquet stringing, etc.

9. Are there City employees that can perform the work being proposed for contracting?

Yes  No

If yes,

a. Which class(es) and Department(s): \_\_\_\_\_

<b>Class</b>	<b>Departments</b>	<b>Eligible list expires</b>
Recreation Assistant	Rec & Parks	No list
Recreation Instructor	Rec & Parks	No list

b. Is there sufficient Department staff available to perform the work? Yes  No

c. Is there a current eligible list for the class(es)? Yes  No  Expiration Date See above

d. Estimated time to fill position(s) through CSC process? Unknown

e. Can the requesting department continue to employ staff hired for the project after project completion? Yes  No

f. Are there City employees currently performing the work? Yes  No

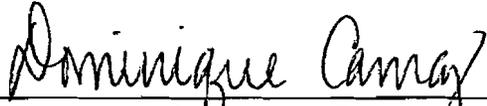
10. Findings

City employees DO NOT have the expertise to perform the work

Check if applicable (explanation attached) and send to CAO for further analysis

- Project of limited duration would have to layoff staff at end of project
- Time constraints require immediate staffing of project
- Work assignment exceeds staffing availability

SUMMARY: The classes of Recreation Assistant and Recreation Instructor can perform the primarily tennis-related services the Department is seeking. A Recreation Instructor conducts specialized classes in sports and can specifically instruct tennis, at a professional level. A Recreation Assistant can assist in the delivery of services and employ specialized skills, such as racquet stringing.

Submitted by:   
Dominique Camaj

Reviewed by:   
Shelly Del Rosario

Approved by:   
Shannon C. Pascual

Date: 5/17/07

**GRIFFITH RIVERSIDE AND VERMONT CANYON TENNIS PROFESSIONAL - COST BENEFIT ANALYSIS  
CONTRACT COST ANALYSIS FORM (PSG Fund)**

Attachment H

<b>DEPARTMENT/BUREAU:</b> Recreation and Parks			<b>CONTACT:</b> Shaun Larsuel		
<b>DIVISION SECTION:</b> Finance Division, Concessions Unit			<b>PHONE:</b> (818) 243-6488		
<b>WORK TO BE PERFORMED:</b> Offering paid tennis instruction to Griffith Riverside & Vermont Canyon Park patrons, selling related equipment, snacks, and beverages			<b>CONTRACT START &amp; END DATES</b> (Include info on renewal options): 12-01-07 through 11-30-10		
<b>TYPE OF CONTRACT:</b> NEW ( <input checked="" type="checkbox"/> )    AMENDMENT ( <input type="checkbox"/> ) If amending contract, please provide the following: <b>Orig. Contract Start Date:</b> _____ <b>End Date:</b> _____ <b>Amount of Orig Contract &amp; All Prior Amendments (labor component only):</b> _____			<b>SOURCE OF FUNDS:</b> Revenue from lessons offered at the facility		

**1. COST OF CITY FORCES REQUIRED TO PERFORM PROPOSED CONTRACTED WORK**

**a. Positions Required** (list all)

A Position Title <small>(Unhide formatted rows below/attach sheets as necessary)</small>	B No. of Positions	C Monthly Salary of Each Position <small>(Step 5)*</small>	D Total Monthly Salary Cost <small>[D = B x C]</small>	E Overhead Rate <small>[D x % from Table 2] [Insert rate from Table 2 in box below]</small>	F Duration <small>(in mos.)</small>	G TOTALS <small>[G = (D + E) x F]</small>
				<b>24.29%</b>		
Recreation Instructors (part time)	7	\$1,350	\$9,450	\$2,295	12	\$140,940
			\$0	\$0		\$0
			\$0	\$0		\$0
<b>Total Salary &amp; Overhead Costs</b>						<b>\$ 140,940</b>

\*calculated at \$22.50 per hour for 15 hours per week 4 weeks a month

**b. Total Other Pertinent Costs** (if applicable; attach separate sheet with \$ amount for each item)

<b>Tennis equipment (balls, buckets, racquets, etc.): \$400 per month</b>	<b>\$ 4,800</b>

<b>TOTAL ESTIMATED IN-HOUSE COSTS (a + b)</b>	<b>\$ 145,740</b>
<b>Total Estimated Revenue Generated by City Forces (if applicable)</b>	<b>\$ -</b>
<b>NET IN-HOUSE COST (COSTS MINUS REVENUE)</b>	<b>\$ 145,740</b>

2006 Gross Revenue:    \$ 86,553

Cost-Benefit to Perform Service In-House: \$ (59,187)

2006 Rent to the City:    \$ 15,298

Proposed Annual Contract Rent: \$ 72,000