

REPORT OF GENERAL MANAGER

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NO. 14-053

5. Approve the total encumbrance and payment in the amount not to exceed \$25,000.00 for the maintenance service referenced above in fiscal year 2014, with options for fiscal years 2015 and 2016;
6. Authorize the Chief Accounting Employee to make technical corrections as necessary to implement the intent of this Report and incorporate changes;
7. Direct the Board Secretary to transmit the Agreement to the Mayor in accordance with Executive Directive No. 3 and, concurrently, to the City Attorney for review and approval as to form; and,
8. Authorize the Board President and Secretary to execute the Agreement upon receipt of the necessary approvals.

SUMMARY:

The Universarium MIX #555 Star Projector (also known as the Universarium Mark IX Model 555 Star Projector or the Zeiss Universarium Mark IX Sky Projector) located in the Samuel Oschin Planetarium at Griffith Observatory is the most sophisticated planetarium projector in the world. It is an essential element of every public and school show Griffith Observatory produces. The Observatory presents eight (8) to ten (10) live planetarium shows to the public each day it is open. The Samuel Oschin Planetarium generates over \$2,000,000.00 each year in revenue.

The Observatory's Zeiss star projector was purchased by Friends Of The Observatory (FOTO) in 2000 as part of the renovation and expansion of the Observatory. Later, FOTO formally transferred ownership of the projector to the City of Los Angeles via a gift agreement (signed November 2, 2005). The terms of the FOTO purchase contract included five (5) no-cost annual maintenance service visits for the projector by technicians from Carl Zeiss AG. The last of those free visits took place in 2012. Griffith Observatory now is responsible for arranging and paying for necessary annual maintenance with the Board's authorization and approval.

Carl Zeiss AG is the sole manufacturer of the Universarium MIX #555 Star Projector and likewise the sole contractor capable of providing necessary overall maintenance. While the Observatory staff can and does perform basic projector maintenance (changing bulbs and ballasts, lubrication, cleaning), the annual servicing of the instrument is essential for proper long-term operation and care. Critical parts – and the process of their installation – are proprietary to the manufacturer of the equipment. Not properly servicing the projector would be placing at risk a multi-million dollar instrument at the heart of the Griffith Observatory experience.

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Neither Griffith Observatory, the Department, nor FOTO has a current or ongoing contractual arrangement with Carl Zeiss AG. Approval of this contract would retroactively authorize the service visit by Carl Zeiss AG that occurred on February 10, 2014 through February 14, 2014.

FISCAL IMPACT STATEMENT:

Annual costs for the maintenance service visit will not exceed \$25,000.00. Sufficient Griffith Observatory funds in this amount have been identified in Fund No. 302, Department 88, Account 3040. There is no additional impact to the Department's General Fund.

This report was prepared by Mark Pine, Deputy Director, Griffith Observatory.