

MEETING DATE: March 23, 2009

AGENDA ITEM: Award of a Two (2) Year Contract with Guadagno & Sons to Supply the Carnival Rides for the Fiesta La Ballona with Authorization for the City Manager to Extend the Contract for one (1) Additional Year, and Authorization to Pay a Down Payment and Final Percentage of Ticket Sales Each of the Years.

ATTACHMENTS

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ATTACHMENT 1

NOTICE REQUESTING PROPOSALS

RFP # 1386

Notice is hereby given that sealed proposals will be received by the City of Culver City, California, for furnishing the following:

REQUEST FOR PROPOSALS FOR RIDE & CARNIVAL CONCESSIONAIRE

in strict accordance with the Specifications on file in the office of the CITY PURCHASING OFFICER, 4343 Duquesne Avenue, Culver City, California, 90232. Copies of specifications and proposal documents may be obtained from the PURCHASING OFFICE at that address, telephone number (310) 253-6550.

Original and three copies of the proposal must be filed with the CITY CLERK in CITY HALL, 9770 Culver Boulevard, Culver City, California, 90232, not later than **3:00 p.m.** on **Thursday, January 15, 2009**, at which time they will be publicly opened in the Council Chambers on the first floor of City Hall. Facsimile proposals will not be accepted. Any bidder may withdraw his proposal, without obligation, at any time prior to the scheduled closing time for receipt of proposals. A withdrawal will not be effective unless made personally or by telephonic notification received prior to the closing date. Proposals may later be referred to the City Council for appropriate action. The City reserves the right to reject any or all proposals as the best interests of the City may dictate.

By: _____
Ela Valladares, Deputy City Clerk

REQUEST FOR PROPOSAL #1386

CITY OF CULVER CITY RIDE/CARNIVAL CONCESSIONAIRE

The City of Culver City is requesting sealed proposals from carnival concession operators to provide carnival operations for city-wide festivals each year at a site located in Veterans Memorial Park. In addition, provisions of the concession agreement will include providing a minimum number of specified rides, food wagons and professional games.

Each proposal shall be accompanied by a bidder's bond or a certified or cashier's check drawn upon a responsible bank in the amount of \$1,000 made payable to the City of Culver City and conditioned to be forfeited to said City in the event the bidder to whom award is made fails to execute the agreement within ten (10) days after notice of the award of said agreement.

Submission of a bid will be deemed a binding offer to enter into an agreement on the terms contained therein for ninety (90) days from the bid opening. The award, if any, will be made to the best responsible bidder(s) offering the most advantageous terms.

The City of Culver City reserves the sole right to accept or reject any proposal, to waive minor irregularities, to reject all proposals or to require oral presentations of one or more applicants for the purpose of discussion or negotiations. Nothing contained herein shall require the City to accept any proposals, or to waive any minor irregularities.

INTRODUCTION AND BACKGROUND

The location and popularity of Culver City as a host venue for the annual Fiesta La Ballona event provides an outstanding marketing opportunity to serve a diverse clientele of various income levels. The number of attendees, which exceeds 10,000 over the course of the weekend, is evidence of the wide appeal which the event has for the residents of the City of Culver City, as well as the many neighboring cities bordering our community.

It is the desire of the City of Culver City to solicit proposals from applicants who, in its sole discretion, show potential for operating an attractive and profitable carnival concession operation. Each applicant should propose such economic and promotional terms it believes to be the best operational plan for the Fiesta La Ballona event.

- The annual Fiesta La Ballona is held the weekend before Labor Day weekend. The 2009 Festival is to be held August 21, 22, & 23.
- Gross Revenues from Carnival Operations for the past 3 years have been: (See Attachment)
- Representations made herein are the best information available to the City at the time of publication of the RFP. Bidders are advised to use their own best judgment and verify all statements to their own satisfaction.

SUMMARY OF TERMS AND CONDITIONS

Concessions Fee Per Carnival

The Concessionaire is proposing to pay the City the following amounts in connections with each carnival.

- A. Minimum payment amount of _____ per carnival 2½ day event (Friday night from 6pm to 10pm, Saturday from 11am to 10pm and Sunday from 11am to 8pm) or the aggregate total of the following payments, whichever is greater. (Please use a separate page if necessary.)
- (1) Percentage of gross receipts from each ride _____ %
(for example: 10% up to gross of \$____, 15% up to gross of \$____, 25% up to gross of \$____)
 - (2) Dollar amount per each professional game _____
 - (3) Dollar amount for each Food Concession _____
 - (5) Pre-Sale ticket discount _____

Contract Term

The Carnival Concession Agreement will be awarded for a two (2) year period. At the Conclusion of this two (2) year period, contractor may request a one (1) year extension, up to three (3) years if agreeable to both parties.

General Information

Each carnival conducted by the Concessionaire shall include, at the minimum, the following:

- (A) At least eighteen (18) quality rides, including at least three (3) “spectaculars”
 - (B) Ten (10) “majors,” and five (5) “kiddy rides”
 - (C) Maximum six (6) professional games
 - (D) Maximum one (1) food wagons
- All food, beverages, confections, and refreshments sold or kept for sale shall be first class quality, wholesome and pure, and shall conform to state, county and municipal laws, ordinances, and regulations in all respects.
 - Alcoholic beverages cannot be sold.
 - Paper products shall be used to dispense food and beverages (no plastic or styrofoam shall be permitted). Biodegradable products are desirable.
 - Concessionaire shall comply with all OSHA and CALOSHA safety procedures and rules.
 - In assuming responsibility and exclusive control over the operation of all rides and equipment, the concessionaire shall be responsible to provide skilled personnel, insuring their personal conduct, honesty, health, ability and personal appearance (including neat and clean uniforms bearing the name or logo of concessionaire)
 - Concessionaire shall provide no less than two (2) air conditioned ticket booths with no less than four (4) ticket windows. City shall provide ticket sellers.
 - Concessionaire shall provide, not less than one hundred (100) posters advertising the carnival not less than fifteen (15) days prior to each event for distribution.

City of Culver City
Carnival Concessionaire RFP

- The concessionaire shall be responsible for trash pick-up within the carnival set-up area, with sufficient disposable refuse bins provided by the city.
- The concessionaire shall provide temporary fencing to separate the carnival area from the rest of the event area.
- The concessionaire shall provide security, both at the entry gates and within the carnival premises, at a level approved by the city.
- The concessionaire will be responsible for obtaining all necessary permits and licenses, including City of Culver City business License and Los Angeles County Health Department permits.
- Both the concessionaire and the concession agreement are subject to the approval of the Culver City, City Council.

Minimum Qualifications for Applicants

- Applicants must have a minimum of five (5) years continuous experience in operating a carnival concession and/or promoting such an operation.
- Applicants must be a business entity currently doing business as a carnival concession and/or carnival promoter under the same organizational structure and name as listed on their application.
- Applications must not have previously defaulted on a concession contract for any reason including, but not limited to, non-payment of rent, taxes, or violation of health and sanitary codes.
- If applicant is a corporation, partnership or Limited Liability Company (LLC) it must be qualified to do business in the State of California and all tax filings must be current.

SUBMITTAL OF PROPOSAL AND CONDITIONS

1. Applicant may submit a sealed proposal up to 3:00 p.m. on, (Month & Day), to the CITY CLERK.

Each bid shall be submitted in a sealed envelope addressed to:

City Clerk
City of Culver City
9770 Culver Blvd.
Culver City, CA 90232

And clearly marked:

Sealed Bid # 1386 City of Culver City Carnival Concession
Opening Date: **January 15, 2009**

The proposal must be signed in ink by the person or persons duly authorized to sign the proposal. In the case of a corporation, the titles of the officers signing must be stated.

2. Bidders must file, along with the bid proposal, a complete financial statement and a fully completed Bidder's Check List of Attachments. Failure to provide these supplemental documents may disqualify the bidder, as it is of the utmost importance for each of these background areas to be provided in order for effective evaluation to be made. When completed, both the financial statement and the check list information shall be verified, under penalty of perjury, that the statements therein are true to the best of the bidder's knowledge and belief. If the bidder is a partnership, all partners must sign the forms.

3. Bids are to be made only on the basis of the Request for Proposal and shall conform to the requirements of these instructions.

4. Each applicant shall submit with his proposal a suggested pricing range for carnival rides, games, food, etc.

5. Each applicant shall submit with his proposal an affidavit of his ability to provide the following insurances: a certificate of liability insurance in the amount of 1 million (\$1,000,000) dollars per individual incident single limit liability minimum coverage. Naming the City Additionally Insured; Auto liability with limits of \$250,000 per person, \$500,000 per occurrence and combined single limit of \$1,000,000; Worker's Compensation Insurance: as required by State Statues.

6. Proposals must be accompanied by either a check certified by a bank, a cashier's check payable to the order of the City of Culver City, or a corporate surety bond (bid bond) of a satisfactory surety company, in the amount of \$1,000.00 and so payable as to guarantee that the bidder will enter into the proposed concession agreement and to supply the necessary faithful performance, and labor and material bonds within the time specified herein, the sum posted by certified check, cashier's check or guaranteed by the bid bond is forfeited to the City. Such forfeiture shall not preclude recovery of any sum over and above the amount posted or guaranteed to which the City sustains damage by reason of such default or failure to contract. No bid will be considered unless it is accompanied by such check or bid bond. If the successful bidder of the concession agreement completes the contract process within the time specified, the deposit or the bid bond accompanying the successful bid will be refunded or returned. The deposits received from all unsuccessful applicants shall be returned.

7. Any bids may be withdrawn at time prior to the hour fixed for the opening of bids, provided that a request in writing executed by the bidder or their duly authorized representative, for the withdrawal of such bid is filed with the Purchasing Officer. The withdrawal of a bid shall not prejudice the right of a bidder to file a new bid prior to the time and date set for the opening of bids. No telegraphic bid or telegraphic modification of a bid will be considered. No bid received after the time fixed for receiving them will be considered.

8. Subsequent to the bid opening, a bidder shall be relieved of a bid due to mistakes only if the bidder can establish to the satisfaction of the City that all of the following circumstances exist:

- a) A mistake was made.
- b) The bidder gave the public entity written notice within five days after the opening of the bids of the mistake; specifying in the notice, in detail, how the mistake occurred.

- c) The mistake made the bid materially different than the bidder intended it to be.
- d) The mistake was made filling out the bid and not due to error in judgment or to carelessness in inspecting the site of the work, or in reading plans or specifications.

9. The City reserves the right to seek supplemental information from any bidder at any time between the dates of bid submission and the bid award. Such information will be limited to clarification or amplification of questions asked in the original bid. Any bidder may be subject to personal interview and inspection of their business premises prior to award.

10. The bid award, if one is made, will be made on approval of the City Council, which reserves the right to reject any and all bids. The lease and concession agreement is subject to the approval of the City Council and is not binding to the City or the successful bidder until such approvals are obtained.

Should the successful applicant incur expenditures for materials, supplies and equipment or for any other costs in advance of the City signing the concession agreement, such expenditures and costs shall be considered as having been done at his own risk and expense and shall not obligate the City in any way.

11. Submission of a bid shall be deemed a binding offer to enter into a contract in substantially the form attached hereto. Any proposed modifications to the Concession Agreement shall be signed by the successful bidder and returned, together with the certificate of insurance required pursuant to said Section of the Concession Agreement within ten (10) days after the Notice of Award.

12. All applicants will have the opportunity to obtain the results of this request for proposal after (30) days from the published closing date. These results must be requested in writing to the Purchasing Officer.

13. Applicants shall be presumed to understand all of the terms, conditions, and requirements of the lease and concession agreement as stated in the Specifications and to be thoroughly familiar with the concession area.

14. If there are any problems or questions about filling out the forms, or relating to bid procedures or the evaluation of bids, assistance may be obtained from the Project Manager, Pamela Robinson, (310) 253-6632, or the Purchasing Officer at (310) 253-6552.

INSURANCE & HOLD HARMLESS REQUIREMENTS

Mechanics of the Bid Procedure. Agreement to these items shall not, by itself, constitute an agreement between parties. These items are intended to provide guidance to prospective bidders and will be binding upon the bidder should the bid be accepted and an agreement executed between parties.

Hold Harmless and Indemnification: The successful bidder shall agree to indemnify, defend and hold harmless the City and/or Redevelopment Agency, in proportionate part to the successful bidder's relative fault, (including its officers and employees) for/from any and all judgments claims or actions of any kind presented, entered into, against the City and/or Redevelopment Agency arising out of the vendor's (including vendor's employees, representatives, products and subcontractors), negligent performance under this agreement, excepting only such claims or actions which may arise out of sole negligence of the City and/or Redevelopment Agency, or any third parties not acting on behalf of, at the direction of, or under the control of the successful bidder.

Insurance Provisions:

1. Comprehensive General Liability including coverage for premises, products and completed operations, independent contractors, personal injury and contractual obligations with combined single limits of coverage of at least \$1,000,000 per occurrence.
2. Auto Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability:
 - (a) Primary Bodily Injury with limits of at least \$250,000 per person, \$500,000 per occurrence; and
 - (b) Primary Property Damage of at least \$200,000 per occurrence; or
 - (c) Combined single limit of \$1,000,000 per occurrence.
3. Workers' Compensation Insurance: as required by State Statutes.
4. City of Culver City and/or Redevelopment Agency to be named as an Additional Insured on the above-captioned insurance coverage's as respects the City's and/or Redevelopment Agency interests under this agreement. This is to be complied with by presenting an appropriate insurance certificate (at no additional cost) to the City and/or Redevelopment Agency prior to award of contract and commencement of work under this contract; and by presenting to the City and/or Redevelopment Agency an endorsement to the policy, signed by an officer of the insurance company within thirty (30) days of the inception date of this agreement. **Purchase Order/s will not be issued until completed paperwork is received and approved.**
5. All policies of insurance shall provide for a minimum of thirty (30) days written notice of any change or cancellation of the policy.
6. Insurance policies to be in a form and written through companies acceptable to the City and/or Redevelopment Agency; and shall include those endorsements which are necessary to extend coverage which is appropriate to the nature of the agreement.

Bid Submitted by:

Company name: _____
By: _____
Address: _____
Title: _____
City/State/Zip: _____
Date: _____
Ph.: () _____

Fax: () _____

Terms:

1. The City of Culver City and/or Redevelopment Agency reserves the right to reject any or all bids, or to accept separate items in bid unless this right is conditioned by the bidder.
 2. In case of default, the City of Culver City and/or Redevelopment Agency may procure its materials/services from other sources and shall hold the original bidder or contractor liable for resulting increased costs.
 3. Samples, if requested, must be furnished at the bidder's expense and if not destroyed in testing or retained as a standard, will be returned at bidder's cost, if requested.
 4. Quote on each item separately. All or none bids may not be acceptable.
 5. A 5% discount advantage will be given to local vendors due to sales tax reimbursement to the City.
 6. During the performance of this contract, the vendor/contractor warrants that it will provide equal employment opportunities, and that the vendor/contractor and each subcontractor will take affirmative action to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to, or because of, race, religion, creed, color, national origin, sex, age, physical handicap, or medical condition. This provision applies to work or services performed or materials manufactured or assembled in the United States.
 7. The vendor/contractor warrants that it possesses legally adequate Workers' Compensation Insurance.
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**City of Culver City
Department of Parks and Recreation**

BIDDER'S CHECK LIST

It is very important that you answer all questions asked and furnish all attachments required with your proposal. Please complete this checklist and make certain that all items are completed in full; we do not want your bid to be disqualified.

If you are uncertain about any item, contact the Project Manager, Pamela Robinson (310) 253-6632 or Purchasing Officer, Margarita Lee (310) 253-6552.

- | | | | |
|----|------------------------------------|---------|--------|
| 1. | PROPOSAL | YES () | NO () |
| | Submit with attachments: | | |
| 2. | FINANCIAL STATEMENT | YES () | NO () |
| | Submit with attachments: | | |
| 3. | DESCRIPTION OF
PRIOR EXPERIENCE | YES () | NO () |
| 4. | BID BOND or
CASHIER'S CHECK | YES () | NO () |
| 5. | CERTIFICATE OF INSURANCE | YES () | NO () |
| 6. | HOLD HARMLESS AGREEMENT | YES () | NO () |
| 7. | OTHER PERTINENT MATERIAL | YES () | NO () |

MANAGEMENT PHILOSOPHY & EMPLOYEE POLICY

We believe that one of the major differences between our company, Guadagno & Sons Amusements, and our competition is our philosophy and management style. It is our feeling that our events and the carnival should work closely together as partners. Our willingness to work with event management, boards of directors and the general public is testified to by our letters of reference, provided to you upon request. We invite you to contact any of our event chairmen and compare us with our competition.

G & S Shows maintains a year-round staff geared to serve our events. G & S staff members meet periodically throughout the year with our event management personnel to assist with planning and/or layout, new promotions, advertising etc. Your event can achieve constant and instant contact with key management personnel in our company offices which are manned all year round.

The first contact the public has in our business is with our employees. We demand top performance from our staff from the top down. This includes courteous and helpful treatment of our customers by clean, neat, well-groomed and uniformed employees. We do not allow any long hair or beards and require all employees, before going to work to be clean shaven. Our uniforms include shirts, caps and company jackets or sweatshirts. One of the prime contributors to our success record has been the appearance and courtesy shown by our employees. We constantly remind our people that the image they project reflects on our company and the event. G & S Shows has a zero drug/alcohol policy. When our company and the event thrive, so do many of our employees through a variety of employee bonus and incentive programs.

Our company is active in industry activities and events. We participate annually in trade shows and conventions, as well as visit other carnivals, in order to keep abreast of the latest innovation within the industry. Our owners have actively been involved in supporting and participating in safety seminars with NAARSO and Sterling Safety Group. Joe and Chris Guadagno have completed the required training with NAARSO and are Certified Basic Ride Inspectors. Our family and management also believe in supporting the industries fraternal organizations, i.e. Pacific Coast Showmens Association, Showfolks of America, serving terms as officers and on the Board of Directors.

ATTACHMENT 3

Contract No. 2008-052

EXHIBIT B

CITY OF CULVER CITY

AGREEMENT WITH GUADAGNO & SONS AMUSEMENTS

FOR AMUSEMENT RIDES FOR FIESTA LA BALLONA

SCHEDULE OF COMPENSATION (Fixed Cost Basis)

1. RIDE TICKET PRICES:

Prices charged for ride tickets sold on grounds during the Fiesta La Ballona shall be:

ONE DOLLAR (\$1.00) EACH,
TWENTY (20) TICKETS @ EIGHTEEN DOLLARS (\$18.00)
THIRTY TWO (32) TICKETS @ TWENTY-FOUR DOLLARS (\$24.00)
WRISTBANDS @ TWENTY DOLLARS EACH (\$20.00)

2. ADVANCED TICKET SALES:

Contractor will provide advance sale wristbands in any amount needed to be sold at the price of:

PRESALE WRIST BANDS for FIFTEEN DOLLARS (\$15.00)

These wristbands will be good on all rides. City will handle and be RESPONSIBLE for the advance sales and the MONIES COLLECTED and return of any unsold wristbands. Sale of these wristbands will cease before opening of the Fiesta. ALL WRISTBANDS NOT RETURNED WILL BE CONSIDERED SOLD.

3. GUARANTEED PAYMENT. For permitting Contractor to provide the rides described in this Agreement, City shall retain:

- A. Fifteen percent (15%) of the first Fifteen Thousand Dollars (\$15,000.00) of Ride Gross;
- B. Twenty (20%) of the second Fifteen Thousand Dollars (\$15,000.00) of Ride Gross; and
- C. Twenty-five (25%) of balance of Ride Gross.

Ride Gross shall mean the total amount City collects for ticket and wristband sales.

4. METHOD OF PAYMENT. The portion of the Ride Gross owed to Contractor as specified in Paragraph 3 above shall be paid by City check within thirty (30) days after the conclusion of the event and in accordance with City's normal demand procedure provided:
 - Contractor satisfactorily completes the equipment take down
 - Contractor submits an IRS W-9 form to City
5. MIDWAY CONCESSION PAYMENT. Contractor shall pay to City the sum of Fifty Dollars (\$50.00) per game booth and One Hundred Dollars (\$100.00) for the one approved concession stand prior to the start of the Fiesta La Ballona.
6. CONTROL OF FUNDS. City shall be responsible for sale of ride tickets and collection of monies for those tickets. An accounting of all ticket sales shall be made available to Contractor.
7. DONATION TO FIESTA. At the conclusion of the Fiesta, and after all payments have been made, contractor shall donate a total of one-thousand dollars (\$1,000) to the City to be used for the 2009 Fiesta La Ballona.

Guadagno & Son's Amusements

ATTACHMENT 4

Office: 714.893.1336 • Fax: 714.893.5014
12872 Valley View Street, Suite 7B • Garden Grove, CA 92845

GUADAGNO & SON CONCESSION FEE PROPOSAL FOR THE BALLONA FESTIVAL

Guadagno & Sons is proposing to pay the city of culver city the following fee amounts in connection with the Ballona Festival.

- A. A guaranteed payment amount of twentyfive thousand dollars (\$25,000.00) per carnival 2 ½ day event (Friday night 6pm to 10pm, Saturday from 11am to 10pm, and Sunday from 11pm to 8pm) or the aggregate total of the following payments whichever is greater.
Guarantee is for a completed 2 ½ day event.
- | | | |
|----|--|--------------------|
| B. | 25% up to a gross of the first | \$40,000.00 |
| | 30% of the next gross of | \$40,000.00 |
| | 35% of the balance of the gross | 35% of balance |
| C. | For each game | \$ 200.00 |
| D. | Food concession | \$ 500.00 |
| E. | Pre sale ticket discount | 30% of gross sales |
| F. | Guadagno & Sons will supply to the Festival Committee one hundred posters printed to the Committees specs, at no cost to the City or Committee. | |
| G. | Guadagno & Sons will sell tickets for the event if so desired by the City or The Committee relieving them of ticket seller expenses while giving the City or the Committee full access to ticket numbers and money accounting of all sales during the entire festival. | |

Guadagno & Sons

Anthony J. Guadagno
Anthony J. Guadagno
12872 Valley View St #7B
Garden Grove Ca. 92845

(714) 893-1336 (714) 313-8063

