

**City of Culver City, California
Agenda Item Report**

Meeting Date: <u>11/08/10</u>		Item Number: <u>C-3</u>	
CITY COUNCIL AGENDA ITEM: Approval of Professional Services Agreements with (1) <i>All City Athletics</i> to Plan, Organize and Conduct the Culver City Adult Basketball Program; and, (2) <i>Major League Softball</i> to Plan, Organize and Conduct the Culver City Adult Softball Program.			
Contact Person/Dept.: Pam Robinson, Acting PRCS Director		Phone Number: (310) 253-6724	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☐ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: (Email) Meetings and Agendas – City Council (11/03/10); (Email) PRCS Commission (11/03/10); (Telephone) All Bidders (11/03/10).			
Department Approval: Pam Robinson (10/27/10)		City Attorney Approval: Carol Schwab (by H. Baker) (11/03/10)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (11/03/10)		City Manager Approval: John M. Nachbar (11/03/10)	
<u>RECOMMENDATION:</u> Staff recommends that the City Council approve professional services agreements with (1) <i>All City Athletics</i> to plan, organize and conduct the Culver City Adult Basketball Program; and, (2) <i>Major League Softball</i> to plan, organize and conduct the Culver City Adult Softball Program. <u>BACKGROUND:</u> One of the Parks, Recreation and Community Services Department's proposed additional budget reductions approved by the City Council with the adoption of the City Council Adopted Budget for Fiscal Year 2010/2011 on June 14, 2010 was to be realized by contracting out the Recreation Division's Adult Sports Programs, specifically Adult Softball and Adult Basketball. At that time, staff estimated that contracting out these programs would result in a \$17,683 reduction, primarily in staff expense, and an increase in revenues of \$30,000 (10132400.365350 – Sports Programs / Adult Sports Program Revenue). PRCS staff had originally anticipated that contracted Adult Sports Programs would begin with the Fall 2010 season. However due to time constraints, the implementation of the new system was postponed in order to facilitate a smooth transition from City-run to contractor-run programs while meeting the needs of			

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existing customers. If the City Council approves the proposed professional services agreements at this evening's meeting, then the contract period will begin with the Winter season, beginning in January 2011.

DISCUSSION:

The Selection Process

On July 22, 2010, the Recreation Division of the Parks, Recreation and Community Services Department published Requests for Proposals (RFP's) for an Adult Basketball Program (BID # 1465) and an Adult Softball Program (BID # 1466). The deadline for submitting bids was 3:00 p.m. on Thursday, August 12, 2010.

The City received dual bids for basketball and baseball from four bidders, a single bid on basketball from one bidder and single bids on baseball from three bidders, for a total of five (5) bids that met the requirements of BID # 1465: Adult Basketball Program and seven (7) bids that met the requirements of BID # 1466: Adult Softball Program.

Interviews of one or more representatives of each organization that submitted bids were conducted on Monday, August 30 and Tuesday, August 31, 2010. All bidders were represented during the interview process with the exception of one of the Softball Program bidders who failed to keep the interview appointment (without notice) and was thus disqualified. The interviews were conducted by a panel of six PRCS Department staff members, including two that are experienced in the day-to-day operations of the City's Adult Sports Programs. Interview questions were standardized and similar time limits were imposed on all interviewees.

Both the written submittals and the interview responses of the bidders were taken into consideration in evaluating the bids. The evaluation criteria were as follows:

- A. Ability to perform tasks outlined in the RFP;
- B. Reasonableness of the fee (Lowest price is not the only criteria to be considered in determining a successful proposal)
- C. Demonstrated record of success and/or experience by the Contractor to perform tasks outlined in the RFP.

As a basis for comparison in evaluating submittals, staff developed targets for the RFP fee categories based on a proposed change from a three-season schedule to a four season schedule for both basketball and softball. Tables displaying City target numbers and those proposed by each bidder for each sport are provided as Attachment 1. The RFP informed bidders of the Recreation Division's standard practice of dividing registration fee revenue between the Contractor and the City using a 70% (Contractor) - 30% (City) split. However, bidders were instructed that they could propose alternative arrangements for the division of fees, if they so desired.

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On the attached tables, projected annual registration revenue based on full participation for four seasons of play for each sport is also shown. Full participation is defined as forty-eight (48) participating basketball teams per season and fifty-four (54) participating softball teams per season. Limits of participation are currently imposed by both field and scheduling constraints.

The information provided in the attached tables is arranged by the final ranking (i.e., overall score) of each bid, with #1 being most favorable. As noted earlier, fees were only one component of the evaluation process; emphasis was placed on reasonableness of the fee in order to both encourage and maximize participation in the programs.

Staff Recommendations

All City Athletics (ACA) is being recommended for award of a five (5) year agreement to plan, organize and conduct the City's Adult Basketball Program. In addition to obtaining high scores in the three RFP criteria and having excellent references, current Recreation Specialist in charge of the Sports Programs and founder of **All City Athletics**, Mr. Darrell Fulton, Jr., has direct experience administering the Culver City Basketball Program. Mr. Fulton has ongoing professional relationships with City staff and key contacts at the Culver City Unified School District, which hosts one of the City's Adult Basketball Program sites. As stated in **ACA's** proposal, Mr. Fulton's seeks to enhance the City's Basketball Program by approaching West Los Angeles College and area private schools to arrange additional court-time. He also presented other creative ideas for potential future cost-savings and development of the program. His good-standing in the local sports community, knowledge of the game and experience administering the Program put him in an excellent position to implement a smooth transition for the Program. As noted in the proposal, the registration fee revenue will be divided between **All City Athletics** and the City using a 70% (Contractor) – 30% (City) split.

Major League Softball (MLS) is being recommended for award of a five (5) year agreement to plan, organize and conduct the Culver City Adult Softball Program. In addition to obtaining high scores in the three RFP criteria and having excellent references, **Major League Softball** has a regional presence in adult sports and offers the benefits of a fully-established, successful organization. **MLS** currently operates Adult Softball Programs for sixteen (16) municipalities, including Anaheim, Cerritos, Fullerton, Riverside, Pasadena and Santa Barbara. The president of **Major League Softball**, Mr. David R. Johnson, proposed the options of administering the registration process for the City at no additional cost and providing periodic field maintenance and improvements. These "Field Improvement Tasks" were outlined in Section 1, page 5 of the **MLS** proposal, which is provided as Attachment 2. As noted in the **MLS** proposal, the registration fee revenue will be divided between **Major League Softball** and the City using a 60% (Contractor) – 40% (City) split.

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Although Culver City Municipal Code (CCMC) Section 3.07.085.A exempts professional services from the formal competitive bidding requirement, these programs were competitively bid in order to ensure that Culver City Adult Sports Programs retain their current favorable reputation while maximizing future growth and development opportunities. Additionally, the CCMC provides the City Manager with authority to execute contracts in an amount not to exceed \$30,000. While both of the proposed agreements meet this criteria, because of the unique nature of these agreements (as they are replacing a City-operated program with a contracted-out program), staff determined to present these to the City Council and the community by having them appear on a City Council agenda.

Should the City Council award the agreements as recommended, staff will pay particular attention to the performance under the contracts to ensure that the quality of the program is maintained.

FISCAL ANALYSIS:

As noted earlier, staff estimated that contracting out the City's Adult Sports Program would result in a \$17,683 budget reduction, primarily in staff expense, and an increase in revenues of \$30,000 (10132400.365350 – Sports Programs / Adult Sports Program Revenue) in Fiscal Year 2010/2011. The bulk of the savings is the result of the elimination of one Recreation Specialist (Step C) position; the person that currently holds this position is responsible for overseeing the Adult Sports Programs and this function will now be the responsibility of the contractors. Staff expects that the proposed Agreements, if approved by the City Council, will allow the City to meet these cost reduction projections.

Staff anticipates that the cost savings and program enhancements resulting from contracting out the Adult Sports Programs will become more advantageous to the City over time. For example, the "Field Improvement Tasks" proposed by **MLS** (as listed on Attachment 2) will create more functional and aesthetically pleasing playing fields and make Culver City a more desirable location for Adult Softball, thereby raising the Program's profile within the area.

ATTACHMENTS:

1. Summary Tables of Sports Program Bidder's Ranking and Proposed Fees
2. Section 1, Page 5 of the **Major League Sports (MLS)** Proposal Outlining "Field Improvement Tasks"

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MOTION:

That the City Council:

1. Approve a professional services agreement with **All City Athletics** to plan, organize and conduct the City's Adult Basketball Program for a five (5) year period beginning will the Winter 2011 season based upon the scope of work and compensation discussed in the staff report; and,
2. Approve a professional services agreement with **Major League Softball** to plan, organize and conduct the City's Adult Softball Program for a five (5) year period beginning will the Winter 2011 season based upon the scope of work and compensation discussed in the staff report; and,
3. Authorize the City Attorney to review/prepare the necessary documents; and,
4. Authorize the City Manager to execute such documents on behalf of the City.