



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Scott P Johnson

**SUBJECT:** SEE BELOW

**DATE:** August 10, 2009

Approved

Date

8/17/09

**COUNCIL DISTRICT:** Citywide

**SUBJECT: REPORT ON REQUEST FOR PROPOSAL FOR A PARK MANAGEMENT SYSTEM FOR THE HAPPY HOLLOW PARK AND ZOO**

## RECOMMENDATION

Report on Request for Proposal (RFP) for the purchase of a Park Management System and adoption of a resolution authorizing the Director of Finance to:

1. Execute an agreement with VGS Systems Engineering Inc., doing business as Omni Ticket Network (Orlando, FL), for the purchase of a Park Management System in an amount not to exceed \$189,634, including all hardware, software, spare parts, installation and related professional services, maintenance and support (first year), shipping and sales tax.
2. Execute change orders in an amount not to exceed \$25,000 to cover unanticipated changes in the system design and/or installation.
3. Execute four additional one-year options to extend the agreement for ongoing hosting, maintenance, and support, subject to annual appropriation of funds.

## OUTCOME

Provide an integrated state-of-the-art Park Management System for the new Happy Hollow Park & Zoo. The new System will automate key functions, such as registration, reservations, memberships, ticketing, and admissions.

## **BACKGROUND**

In November 2000, San José voters approved a \$228 million Parks Bond Measure for improvement of City's parks, including the design and construction to implement the approved 1996 Happy Hollow Park & Zoo (HHP&Z) and 1991 Kelley Park Master Plans.

The HHP&Z is currently closed for construction and the improvements include three major components:

1. A new entry plaza, zoo exhibits, retail space, administration, concessions, education building, and new attractions. All improvements in the existing lower zoo will include compliance with current park accessibility and silver LEED certification.
2. A new 700-foot pedestrian bridge across Coyote Creek connecting the parking lot with the new facility was approved by Council on May 19, 2009.
3. A new 550-space parking lot on the Roberts landfill east of Coyote Creek was approved by Council on June 23, 2009.

Prior to the temporary closure of the park for redesign and construction, many of the park's business functions were conducted manually. Upon completion of the redesign and construction, several functions, such as ticketing (in person and online), admissions, registration, reservations, membership, and point of sales processing, will be automated to improve services, meet customer demand, and to ensure the park is competitive as a family entertainment venue.

In addition to the enhanced customer experience, the system will integrate the ticketing, admission, registration, reservations, membership and point of sales functions, which will enable staff to track the number of daily tickets sold for group sales, individuals, classes, and special events. The new automated system will improve reporting, scheduling of staff, and overall management of the Park's operation.

## **ANALYSIS**

On August 4, 2008, the Finance Department released an RFP for a fully integrated parks management solution on the City's e-procurement system. A total of twenty four (24) companies viewed the RFP and six proposals were received by the September 16, 2008 deadline:

- Active Network, Inc. (San Diego, California)
- Blackbuad, Inc. (Charleston, South Carolina)
- Endlink Solutions (Morgan Hill, California)
- Gateway Ticketing System (Boyertown, Pennsylvania)
- Ventek International (Petaluma, California)
- VGS System Engineering dba Omni Ticket Network (Orlando, Florida)

***Minimum Qualifications:*** The initial proposal review consisted of a pass/fail assessment to ensure that all minimum qualifications were met and that all proposals were complete. The proposal submitted by Active Network was determined non-responsive because it failed to meet the minimum qualification requirement of including three references.

***Evaluation Team:*** A five-member evaluation team was formed with representatives from the Parks, Recreation and Neighborhood Service Department (PRNS) and the Information Technology Department (ITD). One additional ITD staff member also participated as a consultant to the evaluation team relative to the Payment Card Industry (PCI) standards and technology enhancements. In addition, an advisory board representing HHP&Z's program supervisors and key stakeholders provided valuable input to the evaluation team. Proposals were independently scored by each team evaluation member and discussed only in a group setting with a Purchasing representative present to facilitate all team meetings and discussions.

***Technical Evaluation:*** The technical evaluation consisted of a thorough review of each company's written proposal for technical capability and product functionality. In addition, the evaluation reviewed each Proposer's demonstrated experience implementing Park Management Systems similar in size and complexity to the City's requirements and their proposed technological enhancements to improve the HHP&Z's operations.

***Cost Proposals:*** Cost proposals were submitted separately from the technical proposals and were not disclosed to the evaluation team prior to the completion of the technical and oral evaluation so as not to inadvertently influence the technical evaluation.

***Oral Interview/Presentations:*** The overall scores were tabulated to establish a short list of finalists that would be invited for oral presentations. The top three ranked Proposers (Omni, Gateway, and EndLink) were invited to participate in the oral presentations.

Oral Interviews/Presentations were held in order to clarify responses to the RFP, demonstrate Proposers' knowledge and ability to meet the City's requirements, including a product demonstration, and to meet key personnel who would be assigned to the implementation team. At the conclusion of the oral presentations, the scores were adjusted and finalized as appropriate.

***Local and Small Business Preference:*** In accordance with City policy, ten percent of the total evaluation points were reserved for local and small business preference. None of the finalists requested consideration for the City's local business preference. Therefore, the application of the local business preference had no effect on the recommendation of award.

Final scores and ranks are summarized in the following table:

Evaluation Criteria	Max Points	Registrations, Reservations, Membership, On-line Services, and Ticketing/Admissions		
		Omni Ticket	Gateway	Endlink Solutions
Experience	20	14	16	14
Technical	50	39	35	31
Cost	20	17	12	17
Local/Small Business Preference	10	0	0	0
<b>Total</b>	<b>100</b>	<b>70</b>	<b>63</b>	<b>62</b>

**Protest Period:** The RFP process included a ten-day protest period that commenced when Proposers were notified of the City’s intent to award on February 28, 2009. No protests were received.

**Recommendation Summary:** Staff recommends award of contract to Omni because the evaluation panel deemed Omni’s proposed solution to be the best value based on the evaluation criteria as detailed above.

Omni’s Park Management System contains several key features that will provide greater revenue opportunities, improved guest service, effective cost control and increased cash accountability at Happy Hollow Park and Zoo. Specifically, Omni’s technical proposal was found to be superior in the following key areas:

- Among the revenue generating features are the on-line class registration, area reservations, ticket and membership sales, as well as a new state-of-the-art point of sales system designed to decrease the length of time customers spend in line for ticket sales.
- Cost control features include a management information report module that will support data driven decisions in key areas. In combination, this feature will make a significant contribution to the profitability, success, and sustainability of Happy Hollow Park and Zoo into the future.
- Omni has a proven track record of successful implementations and superior customer service. Omni’s experience includes major parks, such as Universal Studios and Walt Disney World that currently use their systems with great success; reporting higher returns and greater efficiencies in all areas.

**Summary of Agreement and Implementation Plan:** The agreement will include fixed pricing, a detailed statement of work defining all deliverables, and a compensation schedule with payments contingent on the successful completion and City’s acceptance of key milestones relating to each

service group. In addition, there will be a 10% final payment to be paid 30 days after system go-live, contingent upon the City's final acceptance of the system.

### **EVALUATION AND FOLLOW-UP**

This memo will not require any follow-up from staff.

### **PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

Although this item does not meet any of the above criteria, this memorandum will be posted on the City's website for the September 1, 2009 City Council agenda.

### **COORDINATION**

This memorandum has been coordinated with the Parks, Recreation and Neighborhood Services Department, the Information Technology Department, the City's Manager's Budget Office, and the City Attorney's Office.

### **FISCAL/POLICY ALIGNMENT**

This Council item is consistent with Council approved Budget Strategy Memo General Principle #2, "We must focus on protecting our vital core City services."

### **COST SUMMARY/IMPLICATIONS**

Funding for this contract is allocated within the Happy Hollow FFE appropriation as illustrated below. After the initial year, subsequent annual web hosting, ongoing system support and maintenance, and annual preventative maintenance is fixed at \$32,943 and is included in the new facility's proposed operating budget.

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As part of the City's ongoing efforts to consolidate and streamline banking services, credit card processing and banking services will be provided by Wells Fargo Bank, the City's general bank and merchant card service provider.

**BUDGET REFERENCE**

The table below identifies the fund and appropriations proposed to fund the contract recommended as part of this memorandum.

Fund #	Appn #	Appn. Name	Total Appn.	Amount for Contract	2009-10 Proposed Budget* Page	Last Budget Action (Date, Ord. No.)
Current Funding Available						
001	6634	Happy Hollow Park & Zoo FF&E	\$237,000		V-435	6/23/2009, Ord. No. 28593
390	6634	Happy Hollow Park & Zoo FF&E	\$704,000	\$189,634	V-406	6/23/2009, Ord. No. 28593
Total Current Funding Available			\$941,000	\$189,634		

\* The 2010-2014 Capital Improvement Program and 2009-2010 Capital Budget was adopted by the City Council on June 23, 2009.

**CEQA**

Not a Project.

  
SCOTT P. JOHNSON  
Director, Finance

For questions please contact Scott P. Johnson, Director of Finance (408) 535-7000.