



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Scott P. Johnson

SUBJECT: SEE BELOW

DATE: January 11, 2010

Approved

Date

1-16-09

SUBJECT: PARK MANAGEMENT SYSTEM FOR HAPPY HOLLOW PARK AND ZOO

RECOMMENDATION

Adopt a resolution authorizing the Director of Finance to:

1. Negotiate and execute a First Amendment to the Agreement for a Park Management System with VGS Systems Engineering Inc., doing business as Omni Ticket Network (Omni) to add a Point of Sale and Inventory Control system for the food and beverage concessions at Happy Hollow Park & Zoo and increase compensation up to \$30,000 for a revised not to exceed contract amount of \$219,634.
2. Increase the contingency amount by \$5,000 from \$25,000 to \$30,000 to cover unanticipated changes in the system design and/or installation.

OUTCOME

Allow for the addition of a Point of Sale and Inventory Control (POS) system service module to support the sale of food and beverages at the new Happy Hollow Park & Zoo.

BACKGROUND

In August 2008, the City issued a Request for Proposal (RFP) for a Park Management System at the Happy Hollow Park & Zoo (HHP&Z). Although the City's RFP specification included a requirement for POS functionality, the City elected not to purchase the POS because a decision was made to outsource food and beverage sales at HHP&Z and it was determined that this system would be provided by a third party food and beverage service provider.

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On September 1, 2009, the City Council authorized the Director of Finance to execute an agreement with Omni for the purchase and installation of a Park Management System for the new Happy Hollow Park & Zoo. For the reason stated above, a POS was not included in the scope of work of the agreement.

Subsequent to Council approval of the agreement, PRNS has decided that food and beverage sales will be performed by City staff. Therefore, the agreement with Omni will need to be amended to include the requirement for a POS system.

ANALYSIS

The RFP for a fully integrated Park Management System required that proposers provide a solution and fee structure for three services groups which included (1) Ticketing and Admissions, (2) Reservation, Registration, Membership and Online Sales, and (3) Point of Sales and Inventory Control. Six proposals were received, and staff determined that Omni submitted the most advantageous proposal.

In September 2009, the City entered into an agreement with Omni in the amount of \$189,634 which provides for integrated state-of-the-art Park Management System for the new HHP&Z. The agreement included the first two service groups described above, which addressed key functions 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 integrates ticketing, admission, registration, reservation, membership and point of sale functions which will enable staff to track the number of daily tickets sold for group sales, individuals, classes and special events. This new system improves reporting, scheduling of staff, and overall management of the Park's operation.

The amendment will incorporate the third service group, Point of Sales and Inventory Control. This functionality will include four customizable touch screen cash registers to expedite the food and beverage ordering process. The system will automatically calculate and deduct member discounts on food and beverage sales, validate credit card transactions, and allow for the tracking of food and beverage sales.

Pricing for the amendment is fixed and includes all hardware, software, implementation and training costs. Payment shall be made upon the City's acceptance of key milestones.

Manager's Budget Addendum #38 (Renegotiation of Contract Pricing): The terms of this contract were negotiated in the spring of 2009 and subsequently awarded by Council on September 1, 2009. Accordingly, rates reflective of the current state of the economy are already included in the Proposer's response to the RFP and are, by extension, included in the proposed amendment. Per the original proposal an additional five percent (5%) discount will now be applied to the entire contract amount due to the purchase of this additional module. This discount is reflected in the not-to-exceed contract amount of \$219,634.

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EVALUATION/FOLLOW-UP

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

POLICY ALTERNATIVES

Not applicable.

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 the above criteria do not apply to this item, this memorandum will be posted on the Council Agenda for the February 2, 2010 Council meeting.

COORDINATION

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

FISCAL/POLICY ALIGNMENT

This Council item is consistent with Council approved Budget Strategy Economic Recovery section in that it will spur spending in our local economy.

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 \$34,722 and is included in the new facility proposed operating budget.

BUDGET REFERENCE

The table below identifies the funds and appropriations used to increase the contract authority of the agreement between Omni and the City for the purchase and installation of a Park Management system.

Fund #	Appn #	Appn. Name	Total Appn.	Amount for Contract	2009-2010 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
390	6634	FF&E HHPZ	\$732,000	\$249,634*	V-486	10/20/2009 28653

*Amount includes Agreement total not to exceed \$219,634 and contingency of \$30,000 to cover unanticipated changes in the system design and/or installation.

- The 2010-2014 Capitol 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 question please contact Mark Giovannetti, Purchasing Division Manager, at (408) 535-7052.