



City of Arts & Innovation

City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: SEPTEMBER 12, 2017**

FROM: MUSEUM & CULTURAL AFFAIRS **WARDS: ALL**

DEPARTMENT

SUBJECT: PROVIDE DIRECTION ON A FUNDING SOURCE TO COVER \$404,039 OF ADDITIONAL COSTS NECESSARY TO TEMPORARILY LOCATE THE ICE SKATING RINK IN WHITE PARK FOR THE 2017/18 FESTIVAL OF LIGHTS; APPROPRIATE ADDITIONAL ANTICIPATED ICE RINK REVENUE OF \$150,000; AND APPROVE RELATED CONTRACTUAL AGREEMENTS WITH ICE COLD ENTERTAINMENT TO OPERATE THE RINK AND WITH CONTEMPORARY SERVICES CORPORATION FOR ADDITIONAL SECURITY

ISSUES:

1. Pursuant to the July 11, 2017 City Council direction to locate the ice skating rink in White Park for the 2017/18 Festival of Lights: Provide direction on a funding source to cover \$404,039 of additional costs necessary to temporarily locate the ice skating rink in White Park for the 2017/18 festival of lights; appropriate additional anticipated ice rink revenue of \$150,000; and approve related contractual agreements with Ice Cold Entertainment to operate the rink and with Contemporary Services Corporation for additional security.

OR

2. In the event the City Council does not identify a funding source for the Ice Rink's temporary location in White Park in 2017/18 and decides to reverse its July 11, 2017 decision, City Council action will still be required on an agreement with Contemporary Services Corporation for the overall Festival of Lights security services.

RECOMMENDATIONS:

A. Temporary Placement of Ice Skating Rink in White Park

Pursuant to the July 11, 2017 City Council direction to locate the ice skating rink in White Park for the 2017/18 Festival of Lights, provide direction on a funding source for the additional \$404,039 cost associated with the Ice Rink's new temporary location. Assuming that the City Council identifies and approves the funding source, then City Council action is also requested on the following:

1. Authorize a supplemental appropriation in the amount of \$150,000 for additional estimated revenue from the addition of the ice skating rink attraction;

2. Approve the Professional Consultant Services Agreement with Ice Cold Entertainment, Inc., to provide a seasonal ice skating rink for The Mission Inn Hotel and Spa Festival of Lights with optional one year extension, for the annual amount not to exceed \$194,000;
3. Authorize the City Manager, or his designee, to execute the Professional Consultant Services Agreement with Ice Cold Entertainment, Inc., and the optional one year extension, including making minor and non-substantive changes;
4. Approve the First Amendment to the Agreement for Event Security and Logistics with Contemporary Services Corporation, to provide unarmed security and logistics for the 2017/2018 The Mission Inn Hotel and Spa Festival of Lights for an amount not to exceed \$325,000 (including the additional \$75,000 associated with the Ice Rink); and
5. Authorize the City Manager, or his designee, to execute the First Amendment to the Agreement for Event Security and Logistics with Contemporary Services Corporation, including making minor and non-substantive changes.

In the event the City Council does not identify a funding source for the Ice Rink's temporary location in White Park in 2017/18 and decides to reverse its July 11, 2017 decision, the following City Council action will still be required for the overall Festival of Lights security:

1. Approve the First Amendment to the Agreement for Event Security and Logistics with Contemporary Services Corporation, to provide unarmed security and logistics for the 2017/2018 The Mission Inn Hotel and Spa Festival of Lights for an amount not to exceed \$250,000; and
2. Authorize the City Manager, or his designee, to execute the First Amendment to the Agreement for Event Security and Logistics with Contemporary Services Corporation, including making minor and non-substantive changes.

B. Potential Future Permanent Placement of Ice Rink in White Park

Staff has researched a possible permanent structure for the Ice Rink at White Park. Two options were considered, one with two turf soccer fields and the other with a splash pad. Both would require removal of some historic trees (and approval of the Cultural Heritage Board), would cost between \$500,000 to \$1,500,000 and take up to three years to construct. Currently there is no available funding source for a permanent solution, other than potentially Measure Z funding. The City Council can direct staff to return with further information on a potential permanent solution.

BACKGROUND:

The Mission Inn Hotel & Spa created a world class event twenty-four years ago. On September 19, 2006, the City Council approved the supplemental appropriation and funds transfer request for the enhancement of The Mission Inn Hotel & Spa Festival of Lights. This became a single celebration with The Mission Inn Hotel & Spa in partnership with the City of Riverside. The Mission Inn Hotel & Spa Festival of Lights is one of Riverside's annual signature events aiming to highlight The Mission Inn Hotel & Spa and Riverside's pride with a family-friendly holiday celebration and creating a significant economic impact for Riverside.

The Mission Inn Hotel and Spa's Festival of Lights 2016 season did not include the ice skating rink which was previously located along the Main Street Pedestrian Mall between University

Avenue and Mission Inn Avenue. Instead, a century wheel, carousel and a train ride were incorporated as attractions for the event.

On July 11, 2017, City Council approved the temporary placement of the Ice Skating Rink in the White Park for the 2017/2018 season. This action will require additional funding of \$404,039, as further explained below.

DISCUSSION:

Additional Costs Associated with Temporary Placement of the Ice Skating Rink in the White Park

Below is a summary of additional expenses related to the temporary placement of the Ice Rink in the White Park.

Item	Description of Additional Costs	Costs without the Ice Skating Rink	Costs with the Ice Skating Rink in White Park	Difference
Ice Skating Rink	Contract with Ice Cold Entertainment	\$0	\$194,000	\$194,000
Ice Skating Rink Infrastructure	Includes wood structure, platform for skating area, white decorative white vinyl fencing around the rink	\$0	\$16,000	\$16,000
Security Services	Additional amount would cover 24-hour security (1 position) as well as another position during the open hours only to help with logistics (crosswalk, etc.), similar to the rest of the event footprint	\$250,000	\$325,000	\$75,000
General Logistics & Rentals	Includes fencing, mesh fencing to block off half of the park, canopies, etc.	\$121,000	\$136,000	\$15,000
Programming & Attractions	Entertainment (face painter, etc.), games and supplies	\$2,500	\$5,000	\$2,500
Generator Fuel*	Needed to run the chiller	\$0	\$65,780	\$65,780
Lighting	Decorative and event lighting to supplement current lighting in the dark park, including installation	\$108,330	\$178,330	\$70,000
Marketing & Advertising	Floor maps, signage at the park, additional directions stickers (up to \$900 each), ads/radio spots/Pandora (\$4,000-5,000), etc. to advertise activities at White Park	\$25,000	\$37,400	\$12,400
Artisans Collective	N/A	\$9,200	\$9,200	\$0
Entertainment	Chairs, supplies, and entertainment equipment & staff for 6 weeks	\$76,000	\$94,075	\$18,075
Miscellaneous & Interdepartmental Services	Pre-event preparations \$4,950; Post-event landscape work \$11,000 and turf sod \$60,500	\$24,800	\$101,250	\$76,450
Security Equipment	Camera at the intersection of 9 th and Market	\$17,666	\$26,500	\$8,834
Total Expenses		\$634,496	\$1,188,535	\$554,039
Estimated Revenue from the Ice Rink			(\$150,000)	(\$150,000)
Budget Change		\$634,496	\$1,038,535	\$404,039

*The cost for installing a dedicated electrical line to power the chiller is estimated at \$200,000 and will take 5 months to install.

Available Funding Sources

Funding for the existing Festival of Lights expenses (without the Ice Rink) include:

Fiscal Year 2017/18 budget allocation (ongoing):	\$425,000
Savings from the 2016/17 Festival of Lights (one-time):	\$189,649
Total available funding:	\$614,649

Additional Potential Funding Source

To fund the additional incremental \$404,039 in expenses, staff has identified as available **\$950,000 of Measure Z contingency**. The total amount available is \$1 million, with \$50,000 committed to the Quality of Life Survey.

Staff has reviewed potential savings in all other departments, and there are other pressing needs to which such possible savings have already been committed. For example: 1) any savings in the Museum will be spent on reaccreditation, hiring of the Museum Director and necessary shelving (including installation); and 2) potential savings in the Community and Economic Development Department are needed to meet the Department's "managed savings" budget reduction target.

Contracts

Ice Cold Entertainment, Inc.

The City has previously contracted with Ice Cold Entertainment, Inc. to construct, maintain and manage an outdoor ice skating rink for the Mission Inn Hotel & Spa's Festival of Lights for the following seasons:

Season	Not to Exceed Amount
2011 - 2012	\$177,799
2012 - 2013	\$177,799
2013 - 2014	\$194,000
2014 - 2015	\$194,000
2015 - 2016	\$194,000

The Professional Consultant Services Agreement with Ice Cold Entertainment, Inc. (Attachment 1) to provide a seasonal ice skating rink for the 2017/2018 Mission Inn Hotel and Spa's Festival of Lights includes the option for one additional year, for the annual amount not to exceed \$194,000.

Resolution 22576 Section 201(c) Exceptions. Competitive Procurement shall not be required when the Procurement can only be obtained from a sole source or timely from a single source and the Manager is satisfied that the best price, terms and conditions for the Procurement thereof have been negotiated. The City Manager has made these determinations.

Contemporary Services Corporation:

On November 15, 2016, City Council approved the RFP # 1645, Agreement for Event Security and Logistics with Contemporary Services Corporation, to secure the Festival of Lights footprint

and provide guard services from November 14, 2016 – January 11, 2017 for the amount not to exceed \$150,000. This agreement included the option for a one year renewal.

The footprint for the 2017/2018 The Mission Inn Hotel and Spa Festival of Lights will now include White Park to service the ice skating rink with additional programming, entertainment and vendors. The First Amendment to the Agreement for Event Security and Logistics with Contemporary Services Corporation (Attachment 5) includes the additional scope of work and takes into consideration minimum wage increase and is for an amount not to exceed \$325,000.

Additional security services in White Park will cost \$75,000 and cover 24-hour security (1 position) as well as another position during open hours only to help with logistics (crosswalk, etc.), similar to the rest of the event footprint.

FISCAL IMPACT:

The total estimated cost for the 25th Anniversary Festival of Lights event is \$1,038,535, including the operator and security contracts and netting a potential ice rink revenue. With the placement of the ice rink in White Park, there is a net additional \$404,039 unbudgeted cost.

Prepared by: Alexander T. Nguyen, Assistant City Manager/Interim Museum & Cultural Affairs Director

Certified as to

availability of funds: Adam Raymond, Chief Financial Officer / City Treasurer

Approved by: John A. Russo, City Manager

Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Professional Consultant Services Agreement with Ice Cold Entertainment, Inc.
2. First Amendment with Contemporary Services Corporation
3. Presentation