



AGENDA REPORT

Meeting Date: June 16, 2009
Item Number: F-17
To: Honorable Mayor & City Council
From: Alison Maxwell, Director Economic Development
Subject: APPROVAL OF AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND UTOPIA ENTERTAINMENT, INC. FOR HOLIDAY PROGRAM MANAGEMENT; AND, AUTHORIZATION OF A PURCHASE ORDER IN THE AMOUNT OF \$1,020,000.
Attachments: 1. Agreement for Services

RECOMMENDATION

Staff recommends that City Council approve the attached agreement with Utopia Entertainment, Inc. for management and implementation of the City's holiday program including the development and management of the holiday lighting ceremony.

INTRODUCTION

In 2006, the City implemented a three-year holiday program comprising coordinated themes, new decorations and the introduction of a street entertainment schedule. In 2007, the City also assumed the responsibility for the holiday lighting ceremony. To streamline production management, subcontracting and development of programming, the City entered into an agreement with Utopia Entertainment, Inc. The professional services and event management services of Utopia have been productive for the City in developing a more cohesive and effective program.

The 2009 holiday represents a continuation of the core program and decorations from previous years with some necessary refurbishments as outlined below.

This item was presented and approved at the City Council Study session on May 13, 2009.

DISCUSSION

The 2009 Holiday program represents a continuation of the previous year's core elements with some cost savings for the core program in the Holiday Lighting Ceremony, and the addition of some one-time costs for refurbishments and on new elements on Rodeo Drive.

Outlined below is synopsis of all the holiday principal elements:

Illuminated Spans across Wilshire

The light spans across Wilshire were enhanced in 2006. This "tunnel" of six light spans presents an impactful entry point to the City along the western end of Wilshire.

Twinkle Lights

Continuing from previous years, trees throughout the Triangle will be wrapped in twinkle lights which have a unifying effect among the streets and create corridors of sparkling lights. In 2007 additional lighted orbs and decorations were added to South Beverly to give it look and ambiance unique from the Triangle.

Part of the long term roll-out plan has been to convert all the twinkle lights to lower energy using LEDs. The Initial purchase of LEDs are more expensive but they last longer and use less electricity. It is proposed to slow the investment in new LED lights for 2009 and just extend the project through Dayton and Brighton (see below under enhancements).

Currently, temporary power lines are installed each year to manage power for twinkle lights (and other decorations) outside the triangle. However, the infrastructure will be upgraded as part of the City's new street light master plan that will be completed before the 2010 holiday.

Holiday Bows on City Buildings

Principal city garages and buildings in the Triangle have been adorned with large red bows. These have had a high impact at a relatively low cost and are very popular. This is a core program element for 2009 and it is proposed to add a bow to the South Beverly garage this year (see enhancements).

Santa and Sleigh

A brand new "flying" Santa was designed and installed in 2006 across Wilshire and Beverly. In 2008 a new structural support system was built to address engineering issues identified in 2007. New lighting was also added.

Audio

In 2006, Council approved a seasonal wireless audio system to be installed in several zones in the triangle to provide ambient music throughout the shopping season. The speakers are wireless and controlled through a digital transmission system installed on the top of a building in the Triangle.

Banners

The current banners were designed in 2006. They were intended to have a life of three years. There have been very mixed reviews on their 1960's retro look; inspiring equally passionate "love them or hate them" responses.

There is a general consensus that it is time for a change, and that new banners should be commissioned for a look and feel that is more traditional yet still unique. As such, staff has directed Utopia to complete an RFP to find alternative designs (see enhancements).

The banners not only add a daytime theme to the holiday decorations, they serve as the driving design element in unifying the holiday program and providing an image for the marketing program.

Entertainment

To enliven the streets during the holiday period and provide a unique shopper experience, Council has supported a wide range of weekend entertainment including:

Santa and the Trolley: The Beverly Hills Trolley Tour is the most unique way to see the City for the holidays. Mrs. Clause and Santa's elves join visitors on the trolley for a holiday sing-a-long and a drive through the sparkling streets of Beverly Hills before arriving at the Paley Center for a visit with Santa and screenings of children's program.

Other Live Entertainment – throughout the weekends there is live entertainment scattered throughout the business district which includes: musician soloists, 4-piece band, carolers, a cartoon portrait artist – the final line-up will be determined closer to the time.

In 2008, additional entertainment was added to the program for weekday afternoon performances on South Beverly. Some elements of the entertainment program will be reduced in 2009 to meet the lower budget.

Holiday Lighting Ceremony

For the third year, the City will host a holiday lighting ceremony on Rodeo, with its partner UNICEF. The holiday lighting ceremony is scheduled for Saturday, November 21, 2009.

It is proposed that needed savings in the holiday budget come primarily from this program. In the discussions with the Council Committee, UNICEF and members of the business community, it was felt that a smaller, intimate, family oriented event would be more appropriate; dispensing with the large stage and live bands. Fireworks, a key component of the ceremony, would stay, but the entertainment would be more traditional and low key. The charity relationship with UNICEF would be further leveraged.

New Rodeo Drive Decorations New, traditional style garland, decorative baubles are recommended, with the theme and style coinciding with Two Rodeo to create a unity of design and image. These decorations are estimated at \$92,000. The Council Committee further recommended that additional elements be explored to combine with the garlands, including special poinsettia plantings and/or the refurbished Rodeo gift boxes that had been used circa 2002, to provide additional elegance and color to the street – for a total not exceed an additional \$35,000.

New Banner Campaign: for new design and production of 500 banners. As outlined above, the banners are part of the core holiday program, but by general consensus, it is time to renew the images and install fresh banners. New images from the RFP process will be brought to the Council Committee for review prior to finalizing this element of the program. These new costs are for design and production. A base cost of approximately \$30,000 is included in the core program for storage, and installation.

Roll out of additional LEDs: As part of the effort towards greater energy efficiency it is proposed to continue the LED roll out, but at a slower rate. It is proposed that Brighton and Dayton be added in 2009 to complete the core of the Triangle.

Red Bow on South Beverly Garage: This will add another of the popular red bows to City owned property and was recommended as a low cost, high impact addition to the program.

A detailed program budget is attached to the Agreement as Exhibit C. It should also be noted that Utopia Entertainment is required to do due diligence and bid all applicable subcontracts out to ensure City receives the best value for service. As such, the exact

and final numbers in the individual line items may vary slightly. Staff has met with Utopia to outline the particular importance of negotiating additional value and or lower prices with subcontractors (without compromising quality of safety).

Listed below is a summary of the due diligence/bidding process that Utopia will utilize for the BH Holiday Program:

1. A detailed bidding process on the holiday program for the following elements
 - a. Power & Twinkle Lights
 - b. Décor
 - c. Banners and Signage
 - d. Live Entertainment
 - e. Production Elements of the Lighting Ceremony
2. These elements represent 75% of the total program value, and it is hoped that Utopia can improve upon the year over year estimates for these line items through competitive bidding, negotiating, and scope value engineering.
3. Savings that are gained from the above line items can either be credited back to the City at the close out of the project to be applied towards priorities, or they can be used to provide additional value for the holiday program. Some value added elements that could be included from efficiencies negotiated from the bidding process might include:
 - a. South Beverly Street Entertainment (this was reduced in the year over year budgeting for the program)
 - b. Décor and Lighting for the Montage Gardens Park
 - c. Added banners and banner locations (Santa Monica, Olympic)
 - d. Added value for décor and lighting in other areas of the city
 - e. Added poinsettia trees, plants, and maintenance for Rodeo Drive
4. Utopia will conduct negotiations with each vendor on the project in a way that delivers on year over year savings if possible, and will target items in the project that may be able to be implemented more efficiently and at a lower cost to the City.

Staff and Utopia Entertainment will continue to work closely with the Events Committee to coordinate this program.

FISCAL IMPACT

Expenditures of \$790,000 have been budgeted in the Holiday Program (2% TOT) account 0101312-73440 for fiscal year 2009-2010 and expenditures of \$238,176.65 have been budgeted out of 2008-2009 additional TOT collected in 2007-2008 and appropriated to the Tourism and Marketing Program account 010311-73440 in February 2009 for a total contract cost of \$1,028,176.65.



Finance Approval:
Scott G. Miller, Director of Administrative
Services and Chief Financial Officer

Approved By: 
Alison Maxwell, Director Economic
Development and Marketing

Attachment 1

Agreement for Services

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS
AND UTOPIA ENTERTAINMENT, INC. FOR HOLIDAY
PROGRAM MANAGEMENT

NAME OF CONTRACTOR: Utopia Entertainment, Inc.

RESPONSIBLE PRINCIPAL
OF CONTRACTOR: Norman Kahn, Chief Executive Officer

CONTRACTOR'S ADDRESS: 23638 Lyons Avenue, Suite 437
Newhall, CA 91321

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: Alison Maxwell, Director of
Economic Development and Marketing

COMMENCEMENT DATE: Upon Written Notice to Proceed

TERMINATION DATE: June 30, 2010

CONSIDERATION: Not to exceed \$1,020,000.00 as further
described in Exhibit A

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS
AND UTOPIA ENTERTAINMENT, INC. FOR HOLIDAY
PROGRAM MANAGEMENT

THIS AGREEMENT is made by and between the City of Beverly Hills, a municipal corporation (hereinafter called "CITY"), and Utopia Entertainment, Inc, a California corporation (hereinafter called "CONTRACTOR").

RECITALS

A. CITY desires to have certain services provided (the "services") as set forth in Exhibit A, attached hereto and incorporated herein.

B. CONTRACTOR represents that it is qualified and able to perform the services.

NOW, THEREFORE, the parties agree as follows:

Section 1. CONTRACTOR's Services.

(a) The CITY desires a turn-key approach for the CITY's 2009 Holiday Program ("Program") and planning for 2010. The Program and the includes but is not limited to holiday lights and decoration, holiday lighting ceremony sound, artistic projections and other entertainment elements. In order to implement this approach, CONTRACTOR shall perform the services as described in Exhibit A to the satisfaction of CITY.

(b) By July 31, 2009, CITY and CONTRACTOR shall finalize the lighting and installation components of the Program, and by October 30, 2009, all entertainment elements shall be finalized. The components of the Program may include but are not limited to display vendors, audio vendors, banner vendor, and other entertainment elements. CONTRACTOR shall provide CITY with the associated costs of the various Program components and shall bill CITY for the actual costs of such Program components as described more fully in Section 3 of the Agreement.

Section 2. Time of Performance.

(a) CONTRACTOR shall commence the services on the Commencement Date.

(b) CONTRACTOR shall perform all services in conformance with a project schedule mutually agreed upon by the parties and attached hereto and incorporated herein as Exhibit B. Any changes to the project schedule shall be made in writing by the City Manager or his designee, on behalf of CITY, in consultation with CONTRACTOR. All Holiday Program elements (as defined in the Scope of Services) shall be completed, installed, tested and fully operational by November 16, 2009.

(c) CITY and CONTRACTOR acknowledge that time is of the essence with respect to the services provided by CONTRACTOR hereunder. CITY may approve changes to the project schedule caused by weather conditions which make it unsafe to install the Holiday Elements or delays in CITY permit processing or approvals.

Section 3. Compensation.

(a) CITY agrees to compensate CONTRACTOR, and CONTRACTOR agrees to accept in full satisfaction for the services required by this Agreement the compensation set forth in Exhibit C, attached hereto and incorporated herein. Such compensation shall constitute reimbursement of CONTRACTOR's fee for the services as well as the actual cost of any equipment, materials, and supplies necessary to provide the services (including all labor, materials, delivery, tax, assembly, and installation, as applicable) and any other out-of-pocket costs, including payment of monies to third parties directly engaged by CONTRACTOR to provide services under this Agreement. CITY shall pay CONTRACTOR said Consideration in accordance with the schedule of payment set forth in Exhibit D, attached hereto and incorporated herein. CONTRACTOR agrees to directly bill the CITY for the actual costs incurred for any equipment, materials, or supplies necessary to provide the services under this Agreement, with no mark up. CONTRACTOR shall pass through any savings or additional costs associated with the scope of work outlined in Exhibit A. CONTRACTOR shall use its best efforts to notify CITY if these direct costs are going to exceed the amounts outlined in Exhibit C. In such event, the City Manager, on behalf of CITY, and CONTRACTOR shall modify the scope of work and compensation, if needed, by written amendment to the Agreement.

(b) Any changes to the scope by the CITY or CITY's scheduling changes which result in an increase in services may constitute a change order from CONTRACTOR or any vendor. CONTRACTOR and the CITY, in writing, must agree upon any change orders in advance before any change order work is to commence. If the change order results in an increase in compensation, the additional compensation shall be added to the compensation set forth in Exhibit C.

Section 4. Independent Contractor. CONTRACTOR is and shall at all times remain, as to CITY, a wholly independent contractor. Neither CITY nor any of its agents shall have control over the conduct of CONTRACTOR or any of CONTRACTOR's employees, except as herein set forth. CONTRACTOR shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY.

Section 5. Assignment. The services to be provided by CONTRACTOR may not be assigned in whole or in part, without the prior written consent of CITY. The CITY acknowledges that the Holiday Elements (as defined in the scope of work) will be performed by third party contractors engaged by CONTRACTOR.

Section 6. CONTRACTOR and CITY: Responsible Principal.

(a) The Responsible Principal of CONTRACTOR set forth above shall be principally responsible for CONTRACTOR's obligations under this Agreement and shall serve

as principal liaison between CITY and CONTRACTOR. Designation of another Responsible Principal by CONTRACTOR shall not be made without the prior written consent of CITY.

(b) The Responsible Principal of CITY shall be Alison Maxwell, Director of Economic Development and Marketing and shall serve as principal liaison between CITY and CONTRACTOR. CITY shall notify CONTRACTOR of any change in CITY's Responsible Principal.

Section 7. Personnel. CONTRACTOR represents that it has, or will secure at its own expense, all personnel required to perform the services under this Agreement. All personnel engaged in the work shall be qualified to perform such services. CITY shall approve all subcontractors used in the provision of services under this Agreement within three (3) business days of CONTRACTOR's submission and prior to their engagement by CONTRACTOR. Such approval shall not be unreasonably withheld by CITY. CONTRACTOR, however, shall be solely responsible for the work performed by those third party contractors, including timely performance and payment

Section 8. Force Majeure. CONTRACTOR shall not be held responsible for delays or cancellation caused by events beyond the control of CONTRACTOR. Such events include the following: acts of god, fire, epidemic, earthquake, flood or other natural disaster, acts of the government, riots, strikes, war, civil disorder or other man-made disaster.

Section 9. Compliance with Laws. CONTRACTOR and its subcontractors shall comply with all applicable federal, state and local laws applicable to this Agreement.

Section 10. Licenses and Permits.

(a) CONTRACTOR and its subcontractors are responsible for obtaining the licenses and permits required by federal, state or local law, rule or regulation, including, but not limited to, CITY permits as listed in Exhibit E, attached hereto and incorporated herein. As it pertains to CITY permits only, the CITY shall waive the cost of any such CITY permit fees necessary for the installation, maintenance and removal of the Holiday Elements, including any permits fees required for the wiring and/or electrical components of the same.

(b) CONTRACTOR agrees to obtain all licenses for use of music and/or other media utilized in the Program and required by law. CONTRACTOR is responsible for the payment of such license fees and CITY shall reimburse CONTRACTOR for such fees.

Section 11. Interests of CONTRACTOR. CONTRACTOR affirms that it presently has no interest and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of the services contemplated by this Agreement. No person having any such interest shall be employed by or be associated with CONTRACTOR.

Section 12. Insurance.

(a) CONTRACTOR shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, a policy or policies of Comprehensive General

Liability Insurance with minimum limits of Two Million Dollars (\$2,000,000) for each occurrence, combined single limit, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by CONTRACTOR.

(b) Contractor shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, a policy or policies of Comprehensive Vehicle Liability insurance covering personal injury and property damage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence combined single limit, covering any vehicle utilized by Contractor in performing the services required by this Agreement.

(c) CONTRACTOR agrees to maintain in force at all times during the performance of work under this Agreement workers' compensation and employer's liability insurance as required by law.

(d) CONTRACTOR shall require each of its sub-consultants or sub-contractors to maintain insurance coverage which meets all of the requirements of this Agreement unless otherwise determined by the CITY's Risk Manager.

(e) The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least a B+,VII in the latest edition of Best's Insurance Guide.

(f) If CONTRACTOR fails to keep the aforesaid insurance in full force and effect, CITY shall notify CONTRACTOR that it is in breach of the Agreement and CONTRACTOR has three (3) days to cure such breach. If such breach is not cured by CONTRACTOR as required in this paragraph, CITY may terminate the Agreement or, if insurance is available at a reasonable cost, CITY may take out the necessary insurance and pay, at CONTRACTOR's expense, the premium thereon.

(g) At all times during the term of this Agreement, CONTRACTOR shall maintain on file with the City Clerk a certificate or certificates of insurance on the form set forth in Exhibit F, attached hereto and incorporated herein, showing that the aforesaid policies are in effect in the required amounts. CONTRACTOR shall, prior to commencement of work under this Agreement, file with the City Clerk such certificate or certificates. The policies of insurance required by this Agreement shall contain an endorsement naming the CITY as an additional insured. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days prior written notice to CITY, and specifically stating that the coverage contained in the policies affords insurance pursuant to the terms and conditions as set forth in this Agreement.

(h) The insurance provided by CONTRACTOR shall be primary to any coverage available to CITY. The policies of insurance required by this Agreement shall include provisions for waiver of subrogation.

(i) Any deductibles or self-insured retentions must be declared to and approved by CITY prior to commencing work under this Agreement.

Section 13. Indemnification.

(a) CONTRACTOR agrees to indemnify, hold harmless and defend CITY, City Council and each member thereof, and every officer, employee and agent of CITY, from any liability or financial loss (including, without limitation, attorneys fees and costs) arising from any intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONTRACTOR or any person employed by CONTRACTOR including its subcontractors in the performance of this Agreement. CONTRACTOR shall require that its agreements with its subcontractor also provide the indemnification in favor of the CITY as set forth in this paragraph.

(b) CITY agrees to indemnify, hold harmless and defend CONTRACTOR from any liability or financial loss (including, without limitation, attorneys fees and costs) arising from the use of CITY's logo and other CITY trademarks, or any defects in CITY owned property which is the sole cause of the liability or financial loss.

(c) These indemnity provisions shall survive termination of this Agreement.

Section 14. Time is of the Essence. The parties hereto agree that time is of the essence with respect to each term and condition set forth in this Agreement.

Section 15. Termination.

(a) CITY may cancel this Agreement at any time upon five (5) days written notice to CONTRACTOR. CONTRACTOR agrees to cease all work under this Agreement on or before the effective date of such notice.

(b) In the event of termination or cancellation of this Agreement by CITY without cause, due to no fault or failure of performance by CONTRACTOR, CONTRACTOR shall be paid for work done in accordance with all of the terms and provisions of this Agreement, in an amount to be determined as follows: For termination effective prior to September 30, 2009, CONTRACTOR shall be paid Forty Thousand Dollars (\$40,000) and for termination effective on or after November 19, 2009, CONTRACTOR shall be paid the full management fee of Fifty Thousand Dollars (\$50,000) In the event of termination by CITY for cause, CONTRACTOR shall be paid for all services satisfactorily performed prior to the effective date of termination or cancellation, provided, in no event shall the amount of money paid under the foregoing provisions of this paragraph exceed the amount which would be paid CONTRACTOR for the full performance of the services required by this Agreement.

(c) CONTRACTOR shall ensure and require that any agreements with third party contractors for the provision of Holiday Elements contain a contractual clause to allow the agreement to be assigned to the CITY (upon the CITY's written request) if this Agreement with CONTRACTOR shall be terminated or cancelled at any time during its term.

(d) In the event of termination without cause, CITY shall release CONTRACTOR from any and all further liability that relate to acts that would have been performed if the Agreement was not terminated.

Section 16. Ownership of Holiday Elements.

(a) All original work and services performed and items (other than commercial goods purchased or used and not adapted or designed specifically for the Program) supplied by CONTRACTOR, CONTRACTOR's personnel and CONTRACTOR's agents for the Program, including without limitation, the Holiday Elements and all other entitlements of creative works, the creative works themselves, and all other items of equipment in connection with the preparation and production of the Program, shall be from its inception, the sole and exclusive property of CITY, and shall be returned to CITY at the expiration or earlier termination of this Agreement. CONTRACTOR agrees that CITY owns all right, title and interest, including all rights in copyright, throughout the world.

(b) CONTRACTOR agrees that the Program and all creative results to the Program made, provided, or supplied by CONTRACTOR, CONTRACTOR's personnel, or CONTRACTOR's agents (the "Results") are works made for hire for the City of Beverly Hills within the meaning of the United States Copyright Act. To the extent that any Results are not works made for hire, CONTRACTOR hereby assigns to CITY all right, title, and interest therein and to the Results, including copyright. CONTRACTOR agrees to execute any additional documents furnished by CITY to effectuate and confirm the CITY's sole and exclusive ownership in and to the Results.

Section 17. Notice. Any notices, bills, invoices or reports required by this Agreement shall be deemed received on: (a) the day of delivery if delivered by hand or overnight courier service during receiving party's regular business hours or by facsimile before or during receiving party's regular business hours; or (b) on the second business day following deposit in the United States mail, postage prepaid, to the addresses set forth above, or to such other addresses as the parties may, from time to time, designate in writing pursuant to this section.

Section 18. Entire Agreement. This Agreement represents the entire integrated agreement between CITY and CONTRACTOR, and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both CITY and CONTRACTOR.

Section 19. Attorney's Fees. In the event that CITY or CONTRACTOR commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to recover its costs of suit, including reasonable attorney's fees.

Section 20. Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 21. Exclusivity. For five years following the termination of this Agreement, CONTRACTOR agrees not to substantially replicate the CITY's Program designs for any other entity anywhere within Los Angeles County without the prior written consent of CITY.

Section 22. Severability. Invalidation of any provision contained herein or the application thereof to any person or entity by judgment or court order shall in no way affect any of the other covenants, conditions, restrictions, or provisions hereof, or the application thereof to any other person or entity, and the same shall remain in full force and effect.

Section 23. CITY Not Obligated to Third Parties. The CITY shall not be obligated or liable under this Agreement to any party other than the CONTRACTOR, subject to the provisions set forth in Section 15(d) of the Agreement.

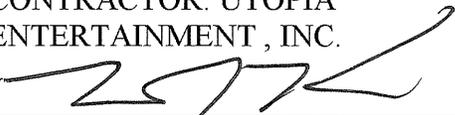
EXECUTED the _____ day of _____, 200_____, at Beverly Hills, California.

CITY OF BEVERLY HILLS
A Municipal Corporation

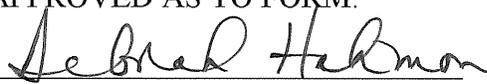
NANCY KRASNE
Mayor of the City of Beverly Hills,
California

ATTEST:

(SEAL)
BYRON POPE
City Clerk

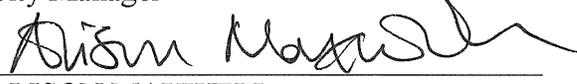
CONTRACTOR: UTOPIA
ENTERTAINMENT, INC.


NORMAN KAHN
Chief Executive Officer and President

APPROVED AS TO FORM:


LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

RODERICK J. WOOD, CCM
City Manager


ALISON MAXWELL
Director of Economic Development and
Marketing


KARL KIRKMAN
Risk Manager

EXHIBIT A

SCOPE OF SERVICES

The CITY desires a turn-key approach for the CITY's Holiday Program which will begin on November 19, 2009 through January 2, 2010 ("Program"). The Program includes but is not limited to holiday lights and decoration, sound, artistic projections and other entertainment elements as agreed upon between CONTRACTOR and CITY; and, conceptual design development of 2010 Holiday Program. The Program shall also include the design, management and execution of the CITY's 2009 Holiday Lighting Ceremony scheduled for November 21, 2009. CONTRACTOR will implement and provide the turn-key approach for the Program which includes the following services as more detailed herein: project management services, artistic direction and technical management of the Program, including contracting and oversight of holiday vendors.

A. Description of Program and General Services

1. CONTRACTOR shall provide all design, development, technical and artistic direction, program and contract management, liaison and general program oversight necessary to create, produce and executive a comprehensive Program as described herein. This includes but is not limited to holiday lights and decorations, sound, artistic projections and other entertainment elements.

2. The CITY's Program is a collaboration between the CITY, the Conference and Visitors Bureau and the Holiday Steering Group. CONTRACTOR shall coordinate the Program with said groups. Notwithstanding, the CITY is the only party with authority to approve all aspects of the Program as set forth in this Agreement.

3. Various aspects of the Program may require coordination and approval from private property owners to utilize private property for the installation of the Holiday Elements. CONTRACTOR shall assist CITY in obtaining approvals including fees and licenses from such private property owners.

4. Services provided by CONTRACTOR include all materials, labor, supplies, equipment, tools, transportation and other items necessary for installation and execution of the Program.

5. The implementation of the Program shall be conducted in the following project phases: design, fabrication, installation, maintenance, removal and storage.

6. As set forth in this Agreement, CITY and CONTRACTOR shall determine the elements and vendors that will comprise the 2009 Holiday Program ("Holiday Elements" and "Program Vendors" respectively). The possible Program Vendors and Holiday Elements include but are not limited to the following:

Display Vendor: Lighting, Specialty Lighting and Three-dimensional pieces

Audio Vendor: Background Music and Media
High Voltage Vendor: Power Feeds and Miscellaneous installation requirements
Santa & Sleigh: Install one (1) pre-existing Santa & Sleigh element.
Banner Vendor: Re-use pre-existing banners or Re-build, or combination.
Entertainment Vendors: Provide live entertainment for Holiday Entertainment Program
Design Vendors and individual Design Artists
Vendor to pick-up, refurbish (if necessary) and install previous holiday décor purchased by CITY

Holiday Lighting Ceremony Vendors: design, manage and execute 2009 Holiday Lighting Ceremony

7. CONTRACTOR shall contract with the Program Vendors for the Holiday Elements. Prior to contract execution, CITY and CONTRACTOR shall discuss the scope of services for each Program Vendor including approval of creative designs. CITY expects that the scope of services will describe the various elements and milestones such as design, fabrication and construction, removal and storage. CONTRACTOR shall submit the scope of services for approval by CITY prior to execution of the contract between CONTRACTOR and Program Vendor which approval or disapproval shall be given within three (3) business days of submission and shall not be unreasonably withheld. In addition, the contracts between CONTRACTOR and CITY shall contain any applicable provisions required by this Agreement and said scope of work shall comply with any requirements set forth herein.

B. Project Management.

This scope of work requires that CONTRACTOR will hire and oversee and compensate third party vendors for the design, fabrication and installation of the various Holiday Elements including their maintenance and removal. In no event shall CITY be required to pay such third party vendors unless agreed upon in advance and in writing by CITY. Accordingly, CONTRACTOR shall provide overall project management for the implementation of the Program. Project management includes but is not limited to:

1. Monitor, Regulate and Coordinate Vendor schedules.
2. Monitor and Regulate budgetary issues in regards to each Vendor.
3. Coordinate and Oversee all Vendors during all phases of the project: design, fabrication, installation, removal and storage.
4. Obtain storage vendor bids to assist CITY in the engagement of a storage vendor.
5. Coordinate and Oversee CONTRACTOR personnel, Artistic and Technical, for the duration of the Project.
6. Coordinate with CITY's representatives for the duration of the Project.
7. Regularly inform and update the CITY's representative during all phases of the Project. Frequency of update meetings to be determined by mutual agreement of CONTRACTOR and the CITY.
8. Issue Bid Requests and Oversee Bid responses.
9. Choose Bidders and issue contract documents.
10. Maintain contracts / Pay Vendors.
11. Close out contracts.

C. Artistic Direction.

CONTRACTOR shall seek CITY approval of all Vendor submittals at all stages of the Project as specified in this Exhibit. The CITY shall have the option to participate in the submittal requirements and meetings of each Program Vendor per each Vendor contract.

CITY and CONTRACTOR shall work closely during the design phase of each Holiday Element. CONTRACTOR shall ensure to the greatest extent possible that all Holiday Elements, specifically those that utilize electricity, minimize the use of power and utilize LED or such other projects and materials designed for efficiency and longevity.

This scope of work requires that the CITY provide prior approval of all Holiday Elements of the various Program Vendors prior to their fabrication. CONTRACTOR shall submit to CITY the design of the various Holiday Elements for CITY approval. CITY shall have sole discretion to approve, disapprove or request modifications to the design. CITY shall have three (3) business days in which to approve, disapprove or request modifications. If the design is disapproved or requires modification, the new design shall be submitted to the CITY for prior approval as set forth herein. If the design modification required by CITY results in a change in cost, CONTRACTOR shall immediately notify CITY in writing and CITY shall pay for such an increase as mutually agreed upon by the parties. In no event shall CONTRACTOR provide the Program Vendor with a notice to proceed to construct or fabricate Holiday Elements without the prior written approval by CITY. Such written approval may be provided by email or facsimile. CITY recognizes that undue delay in providing approvals and direction may result in delay in CONTRACTOR or the Program Vendor in meeting deadlines for production, installation and completion.

As part of CONTRACTOR services, CONTRACTOR shall provide Artistic Direction for the Program Vendors during the various phases of the Program. This includes but is not limited to:

1. Coordinate and Oversee all Artists and Design Vendors during the Design, Fabrication & Installation phases of the Project.
2. Monitor, Regulate and Coordinate Artists and Design Vendors schedules.
3. Coordinate with CITY's representatives during for the duration of the Project.
4. Regularly inform and update the CITY's representative during all phases of the Project. Frequency of update meetings to be determined by mutual agreement of CONTRACTOR and the CITY.

D. Technical Direction.

CONTRACTOR shall provide technical direction for the Program. This includes, but is not limited to:

1. Oversee the Design Phase, from a technical perspective, for each Vendor.
2. Oversee the Fabrication Phase for each Vendor.
3. Oversee the Installation Phase for each Vendor.
4. Oversee the Maintenance Phase for each Vendor.
5. Monitor, Regulate and Coordinate all Vendors in regards to technical schedules.

6. Coordinate between the CITY's Technical representative (s) and Vendor's technical staff during all phases of the Project.
7. Coordinate with the CITY's Representative in regards to budget issues impacted by technical issues.

E. Minimum Specifications for Holiday Elements

The Holiday Elements provided by CONTRACTOR shall comply with the following specifications.

1. The Holiday Elements, and all components thereof, for manufacture and installation pursuant to this Agreement, shall have a useful life of five years, except twinkle lights which shall have a useful life for the display period and the banners which shall have a useful life of three years. All Holiday Elements shall be manufactured and installed so as not to create an unsafe condition on the public street or public right of way. All Holiday Elements shall also be manufactured to meet with all applicable laws and regulations regarding the construction of such decorations. Specifically, but not by way of limitation, such decorations shall be manufactured and installed to withstand rain, wind gusts and other inclement weather and shall be located and installed in such a manner as to avoid, to the greatest extent feasible, vandalism and theft.

2. With respect to Holiday Elements that require the installation of electrical components, the provision of wiring for electrical components or the provision of wiring for power distribution, such electrical components, wiring and/or power distribution shall be installed in accordance with the California Electrical Code and the Beverly Hills Municipal Code. Additionally, where power distribution is required, the contractor shall provide an outlet for each electrical or component element. The CITY shall waive all permit fees usually required for installation of wiring and/or electrical components.

3. Fabrication of Holiday Elements, including all music elements, shall be performed in accordance with best industry practices and techniques and designed for outdoor use. Electrical components shall be of high quality, designed for outdoor use and shall conform to all applicable electrical codes and standards. All fabricated Holiday Elements shall be warranted by the manufacturer for defects in materials and workmanship. All warranties shall be stated on all contracts with CONTRACTOR's subcontractor. Such contracts shall be submitted to CITY.

4. All installations shall be performed in a workmanlike manner according to accepted industry practices. All lighting and electrical work shall conform to all applicable electrical codes and best practices.

5. Throughout the display period of November 19, 2009 through January 2, 2010 ("Display Period"), CONTRACTOR shall cause maintenance of all Holiday Elements every 72 hours and shall make all necessary repairs or replacements within 24 hours of identification or notification of any problems. Emergency response conditions, which in the opinion of the CITY's Responsible Principal present a hazard to public welfare and safety, shall be addressed by CONTRACTOR within four hours of notification to CONTRACTOR at no charge to the

CITY. CONTRACTOR shall repair damage caused by vandalism to the Holiday Elements when requested by CITY within twenty-four hours of notification to CONTRACTOR. CONTRACTOR shall supply CITY with quotes for such work if requested by the City Manager or his designee.

6. CONTRACTOR shall remove and disassemble all Holiday Elements at the end of the display period on a schedule to be jointly agreed on between the CITY and CONTRACTOR. CONTRACTOR shall provide all transportation of the Holiday Elements to the storage location.

7. As agreed upon between CONTRACTOR and CITY, CONTRACTOR shall make arrangements for the storage of all Holiday Elements including obtaining bids from vendors on behalf of CITY. CITY shall enter into agreements with storage vendors for such services. The Holiday Elements shall be stored in an appropriate manner such that no damage results from storage. CONTRACTOR shall exercise all reasonable care in the handling and storage of the Holiday Elements. CONTRACTOR shall provide an inventory of all stored Holiday Elements at the completion of the display period. The CITY shall retain the right to inspect the stored Holiday Elements within 24 hours notice to the storage vendor.

8. If requested by CITY, CONTRACTOR shall provide fabrication of a prototypes, such as banners, for review by CITY. CITY shall select the design of the prototype and will pay for the actual cost of production not to exceed \$2,500 unless approved in writing by the City Manager or his designee.

9. CONTRACTOR shall take all reasonable steps necessary to ensure the safety of its employees, of any subcontractors, and CITY employees and to protect CITY property from damage. Any safety hazards discovered by CONTRACTOR or its subcontractors during the course of work shall be reported immediately to the CITY Contract Administrator. CONTRACTOR and its subcontractors shall comply with all applicable OSHA or other safety-related laws and regulations in the performance of this Agreement including the installation and removal of the Holiday Elements.

10. Throughout the Display Period, CONTRACTOR shall provide live Entertainment acts according a mutually agreed upon Program and Schedule. CONTRACTOR shall provide final draft Entertainment Schedule by October 30, 2009.

EXHIBIT B

2009 HOLIDAY PRELIMINARY OVERALL SCHEDULE

ACTIVITY/COMPLETION DATE	ACTIVITY
June 16	Council Approval
July 1	Competitive Bidding of Subcontractors
July 2009	Approval of all Vendor agreements
Aug 15	Review of Design Details (Subcommittee)
Sept 14	Beverly Hills Public Works sets city box timers for Vendor installation: 10 pm – 6 am
Sept 15 – Oct 23	Power Distribution - System installation
Oct 12	Twinkle Lights – Business Triangle
Oct 26	Twinkle Lights – Wilshire Blvd
Nov 2 – Nov 16	Audio – System Installation
	Rodeo Drive Median Display Installation
Nov 2	Temporary Power timers set : 10 pm – 6 am
Nov 2	Twinkle Lights – LSM Spur
Nov 2 – Nov 12	Spans – Wilshire Installation
Nov 2 - 5	Light Spheres and LEDs – South Beverly installation
Nov 2 - 6	Banner – Business Triangle / Wilshire / South Beverly Drive installation
Nov 16 - 18	Audio: Audio system test & approvals
Nov 9 - 13	Banner Lights – Camden / Linden/ Roxbury / LSM / South Beverly
Nov 9 - 13	Banner – LSM Spur / Wilshire / Robertson / La Cienega
	Baccarat Snow Flake Install
Nov 10 - 11	Santa & Sleigh installation
Nov. 17	Toy Soldier – Soldier & Lighting installation
Nov 18	Twinkle Light – Lighting test
Nov 20 - 21	Stage Installation – Lighting Ceremony
Nov 21	Holiday Lighting Ceremony on Rodeo
Nov 22	Twinkle Lights: system activated: timers set from 4 pm – midnight
Nov 22	Audio: system activated: timers set from 12 pm – 9 pm
Nov. 27	NO VENDOR ACTIVITY
Dec. 25	NO VENDOR ACTIVITY
Jan. 1	NO VENDOR ACTIVITY
Jan 3	Remove Santa & Sleigh
Jan. 3	Remove all Holiday Display elements: Audio, Power, Twinkle & Banner Lights, Spans, etc...
	Remove chandeliers from Rodeo

EXHIBIT C

COMPENSATION

A. Management Fee. For satisfactory performance of the services in this Agreement (Project Management, Artistic Management, Technical Management and Contract Administration of all Vendors listed in the General Specifications), CITY shall pay CONTRACTOR a fixed fee of Fifty Thousand Dollars (\$50,000).

B. Payment of Vendors. In addition, CONTRACTOR shall be provided an additional amount of compensation to be solely utilized to pay third party vendors (i.e. Program Vendors) to provide the Holiday Elements. This amount shall include compensation for repairs directed by the City Manager or his designee and caused by damage to the Holiday Elements due to vandalism or other events outside the control of CONTRACTOR.

Attachment 1 to this Exhibit is an estimated budget for the Program, attached hereto and incorporated herein. Final subcontract amounts shall be negotiated by CONTRACTOR and approved by CITY in accordance with the terms of the Agreement. Said compensation for the satisfactory performance of all services required by this Agreement shall not exceed One Million Twenty Thousand Dollars and 00/100ths (\$1,020,000.00) and shall be based on the bids provided to CITY from CONTRACTOR from the Program Vendors.

Summary of Fees and Costs *[to be revised]*

Item	Amount
Management Fee	\$50,000.00
Holiday Lighting Ceremony	\$125,000.00
Program Cost Décor & Lighting	\$840,000.00
Sales tax on Décor	\$5,000.00
Total Not to Exceed	\$1,020,000.00

ATTACHMENT 1 TO EXHIBIT C



Utopia Entertainment, Inc. | 23638 Lyons Avenue, Ste 437 | Newhall, CA 91321
 Tel: 661-254-9943 | Fax: 661-254-9946 | www.utopiaworldwide.com

HOLIDAY DECOR AND ENTERTAINMENT PROPOSAL FOR 2009

Element	Total
<u>Santa</u>	
Santa Install /Remove	
Storage	
Santa Exterior Lighting	
\$	7,245.00
<u>Power & Twinkle Lights</u>	
Temporary Power	
Safety Breaker Boxes	
Twinkle Lights All Streets	
New LED on Brighton & Dayton	
Program Maintenance Coordinator	
Storage	
\$	217,911.00
<u>Décor</u>	
Spans - Refurb/ install/ remove/ store	
Banner Lights - Refurb/ install/ remove/ store	
So Bev - LED / Spheres (Labor)	
Storage	
\$	126,053.00

HOLIDAY DECOR AND ENTERTAINMENT PROPOSAL FOR 2009

Element	Total
<u>Banners & Signage</u>	
New Banner Design Production Install/remove/maintain Storage Signs and Graphics, Install/Remove	
\$	112,998.00
<u>Audio</u>	
Install / remove / T & A / maint Refurb and Repair Storage	
\$	53,750.00
<u>Parking Garage Bows</u>	
Williams Sonoma Canon Parking Rodeo / Dayton Parking South Beverly Parking (Addition) Contingency Storage	
\$	30,191.00
<u>South Santa Monica Boulevard</u>	
Labor Supplies Refurb / Replace bulbs Storage	
\$	11,488.00

HOLIDAY DÉCOR AND ENTERTAINMENT PROPOSAL FOR 2009

Element	Total
<u>Trolley Theme</u>	
Equipment / Install Storage	
\$	3,800.00
<u>Rodeo Drive Décor</u>	
Poinsettia Trees 2 Rodeo-like Décor on Light Poles Install/remove/maintenance	
\$	127,000.00
<u>Entertainment</u>	
Entertainers UEI Coordinator IC Agreements Director Costumes Expendables (Allowance) Background Checks Parking (Allowance)	
\$	149,564.00
<u>Lighting Ceremony</u>	
Project Management Entertainment Equipment/Staging	
\$	125,000.00

HOLIDAY DÉCOR AND ENTERTAINMENT PROPOSAL FOR 2009

Element		Total
<u>Management & Tax</u>		
Management		\$50,000.00
Tax		\$5,000.00
Total Core Budget	\$	1,020,000.00

EXHIBIT D

SCHEDULE OF PAYMENT

CONTRACTOR shall be paid in accordance with the following payment schedule:

1. Within three (3) weeks of execution of this Agreement, CONTRACTOR shall be paid the INITIAL payment in the amount of 40% of the total amount of compensation.

2. Within three (3) business days of CONTRACTOR's commencement of installation of all Holiday Elements, CONTRACTOR shall be paid the START OF INSTALLATION payment in the amount of 25% of the total amount of compensation. Notwithstanding, this payment is contingent on the following: CONTRACTOR shall obtain signed documentation from the Program Vendor that Program Vendor has received payment in accordance with the agreement between CONTRACTOR and that Program Vendor. Upon CITY's review and satisfaction of the contents contained therein, the payment shall be released.

3. Within three (3) business days of CONTRACTOR's completion of installation of all Holiday Elements, CONTRACTOR shall be paid the COMPLETION OF INSTALLATION payment in the amount of 25% of the total amount of compensation. Notwithstanding, this payment is contingent on the following: CONTRACTOR shall obtain signed documentation from the Program Vendor that Program Vendor has received payment in accordance with the agreement between CONTRACTOR and that Program Vendor. Upon CITY's review and satisfaction of the contents contained therein, the payment shall be released.

4. Within three (3) business days of CONTRACTOR's deinstallation of all Holiday Elements, CONTRACTOR shall be paid the FINAL payment in the amount of the remainder of the total amount of compensation. Notwithstanding, this payment is contingent on the following: CONTRACTOR shall obtain signed documentation from the Program Vendor that Program Vendor has received payment in accordance with the agreement between CONTRACTOR and that Program Vendor. Upon CITY's review and satisfaction of the contents contained therein, the payment shall be released.

5. CONTRACTOR shall submit an itemized statement to CITY for its services performed during the milestone payment schedule set forth above, which shall include documentation setting forth in detail a description of the services rendered. CONTRACTOR shall endeavor to submit invoices at least three (3) weeks before each milestone payment. In addition, CONTRACTOR shall submit payment releases from its subcontractors prior to payment to CONTRACTOR for subcontractor services on a form approved by the CITY's Responsible Principal. CITY shall endeavor to pay CONTRACTOR the amount of such billing within three (3) business days of receipt of same. Contractor acknowledges that CITY funds are released on a check schedule, which may vary from month-to-month.

EXHIBIT E

PERMITS REQUIRED (FEES WAIVED) FOR HOLIDAY DECORATION PROGRAM

Building Permit
Electrical Permit
Heavy Hauling Permit
Street Use Permit
Encroachment Permit
Special Event Permit



**EXHIBIT F
CERTIFICATE OF INSURANCE**

This is to certify that the following endorsement is part of the policy(ies) described below:

NAMED INSURED

COMPANIES AFFORDING COVERAGE

- A.
- B.
- C.

ADDRESS

COMPANY (A. B. C.)	COVERAGE	POLICY NUMBER	EXPIRATION DATE	LIMITS		
				B.I.	P.D.	AGGREGATE
	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> GENERAL LIABILITY <input type="checkbox"/> PRODUCTS/COMPLETED OPERATIONS <input type="checkbox"/> BLANKET CONTRACTUAL <input type="checkbox"/> CONTRACTOR'S PROTECTIVE <input type="checkbox"/> PERSONAL INJURY <input type="checkbox"/> EXCESS LIABILITY <input type="checkbox"/> WORKERS' COMPENSATION					

It is hereby understood and agreed that the **City of Beverly Hills**, its City Council and each member thereof and every officer and employee of the City shall be named as joint and several assureds with respect to claims arising out of the following project or agreement:

It is further agreed that the following indemnity agreement between the **City of Beverly Hills** and the named insured is covered under the policy: Contractor agrees to indemnify, hold harmless and defend City, its City Council and each member thereof and every officer and employee of City from any and all liability or financial loss resulting from any suits, claims, losses or actions brought against and from all costs and expenses of litigation brought against City, its City Council and each member thereof and any officer or employee of City which results directly or indirectly from the wrongful or negligent actions of contractor's officers, employees, agents or others employed by Contractor while engaged by Contractor in the (performance of this agreement) construction of this project.

It is further agreed that the inclusion of more than one assured shall not operate to increase the limit of the company's liability and that insurer waives any right of contribution with insurance which may be available to the **City of Beverly Hills**.

In the event of cancellation or material change in the above coverage, the company will give **30 days** written notice of cancellation or material change to the certificate holder.

Except to certify that the policy(ies) described above have the above endorsement attached, this certificate or verification of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate or verification of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.

DATE: _____

BY: _____
Authorized Insurance Representative

TITLE: _____

AGENCY: _____

ADDRESS: _____
