



## AGENDA REPORT

**Meeting Date:** October 18, 2011  
**Item Number:** H-14  
**To:** Honorable Mayor & City Council  
**From:** Cheryl Friedling, Deputy City Manager  
Megan Roach, Marketing and Economic Sustainability Manager *MR*  
**Subject:** AMENDMENT NO. 1 TO THE AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND UTOPIA ENTERTAINMENT, INC. FOR HOLIDAY DÉCOR AND PROGRAM MANAGEMENT; AND APPROVAL OF A CHANGE PURCHASE ORDER IN THE AMOUNT OF \$63,276 TO UTOPIA ENTERTAINMENT, INC. FOR THESE SERVICES  
**Attachments:** 1. Amendment No. 1

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### **RECOMMENDATION**

It is recommended that the City Council approve Amendment No. 1 to the agreement between the City of Beverly Hills and Utopia Entertainment, Inc. for holiday décor and program management and approve a change purchase order in the amount of \$63,276 for these services.

### **INTRODUCTION**

This item requests the City Council approve Amendment No. 1 to the agreement with Utopia Entertainment, Inc. for holiday décor and program management for the City's 2011 holiday program.

### **DISCUSSION**

At the September 8<sup>th</sup> meeting the City Council approved an agreement with Utopia Entertainment, Inc. for holiday décor and program management services. Council requested that staff obtain budget estimates from Utopia for additional décor elements for the City's commercial areas to complement the Swarovski holiday décor being

planned for Rodeo Drive. Utopia has provided estimates for these additional décor elements and they are included in Amendment No. 1 and outlined in more detail below.

**Additional Holiday Décor Elements:**

- Twinkle lights for the eight trees on Santa Monica Blvd. at Crescent.
- A credit of \$24,935 for the fabrication, installation and storage of the light pole banners. Utopia's original budget estimate for the fabrication, installation and storage of the light pole banners totaled \$74,318. Following the September 8<sup>th</sup> meeting, Utopia released a bid document for the light pole banners. The bid results include a lowest bid from AAA Flag in the amount \$49,383. Therefore, Utopia has issued the City a credit for the difference of \$24,935. The credit has been applied to the total cost for the additional décor elements thereby reducing the total cost to \$63,276.
- An additional fifteen bows for the garland on Canon Drive.
- Santa Décor at Wilshire Blvd./Beverly Drive - the maintenance, installation, lighting, removal and storage of the Santa décor.
- Twinkle lights and temporary power for trees on S. Santa Monica Blvd. between Wilshire and Charleville on the West side of the street.
- Additional costs associated with replacing existing yellow lights with white LED lights on the Wilshire Blvd. arch spans to ensure design and thematic consistency with the Swarovski décor on Rodeo Drive.
- South Beverly Drive Décor – the procurement, installation, maintenance, removal and storage of white lights and snow tubes for the ficus tees.
- Peninsula Hotel Décor – snowflake decorations for the ficus trees in front of the Peninsula Hotel, which the City has provided for the past several years.

**FISCAL IMPACT**

The City's Finance Division budgeted \$26,075,000 in Transient Occupancy Tax revenue for Fiscal Year 2011/12, which results in a base tourism and marketing budget of \$3,725,000 (this figure does not include the \$420,000 in carryover funding from Fiscal Year 2010/11). The City Council originally designated \$450,000 of this funding for the holiday décor program and it is budgeted in the Holiday Program account 0101312. Amendment No. 1 to the agreement with Utopia Entertainment, Inc. is for a total of \$63,276, which increases the overall holiday décor budget to \$513,276. The additional funding required for Amendment No. 1 will be charged to remaining fund balance from Fiscal Year 2010/11.

  
Scott Miller  
Finance Approval

  
Cheryl Friedling  
Approved By

# **Attachment 1**

AMENDMENT NO. 1 TO THE AGREEMENT BETWEEN  
THE CITY OF BEVERLY HILLS AND UTOPIA  
ENTERTAINMENT, INC. FOR HOLIDAY DÉCOR AND  
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: Cheryl Friedling, Deputy City Manager

COMMENCEMENT DATE: September 8, 2011

TERMINATION DATE: June 30, 2012

CONSIDERATION: Original Agreement Not-to-Exceed: \$270,000.00  
This Amendment No. 1: \$63,276.00  
Total Not-to-Exceed: \$333,276.00

AMENDMENT NO. 1 TO THE AGREEMENT BETWEEN THE  
CITY OF BEVERLY HILLS AND UTOPIA  
ENTERTAINMENT, INC. FOR HOLIDAY DÉCOR AND  
PROGRAM MANAGEMENT

This Amendment No. 1 is to that certain Agreement between the City of Beverly Hills (hereinafter called "CITY"), and Utopia Entertainment, Inc. (hereinafter called "CONTRACTOR") dated September 8, 2011 and identified as Contract No. 359-11 ("Agreement"), a copy of which is on file in the City Clerk's office.

RECITALS

A. CITY entered into an agreement with CONTRACTOR on September 8, 2011 for holiday décor and program management.

B. CITY now desires to modify the Agreement to increase the Consideration for additional services as set forth in the amended scope of work.

CITY and CONTRACTOR desire to amend the Agreement.

NOW, THEREFORE, the parties agree as follows:

Section 1. CONSIDERATION shall be amended as set forth on the cover page hereof.

Section 2. Attachment 1 to Exhibit C, "Scope of Service and Budget - Beverly Hills Holiday Program," shall be amended as attached hereto and incorporated herein.

Section 3. Except as specifically amended by this Amendment No. 1, the remaining provisions of the Agreement shall remain in full force and effect.

EXECUTED the \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_, at Beverly Hills, California.

CITY OF BEVERLY HILLS  
A Municipal Corporation

\_\_\_\_\_  
BARRY BRUCKER  
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

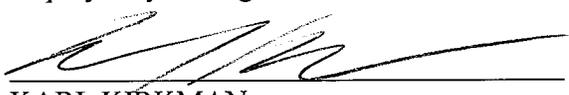
APPROVED AS TO FORM:

  
\_\_\_\_\_  
LAURENCE S. WIENER  
City Attorney

APPROVED AS TO CONTENT:

\_\_\_\_\_  
JEFFREY KOLIN  
City Manager

  
\_\_\_\_\_  
CHERYL FRIEDLING  
Deputy City Manager

  
\_\_\_\_\_  
KARL KIRKMAN  
Risk Manager

ATTACHMENT 1 TO EXHIBIT C

SCOPE OF SERVICE AND BUDGET - BEVERLY HILLS HOLIDAY PROGRAM

<b>Program Element</b>	<b>2011 Budget Estimate</b>
<b>Light Pole Banners:</b> maintain, install, remove, and store 450 holiday banners	<b>\$22,511</b>
<b>Twinkle Lights on Trees:</b> maintain, replace broken, install, and store twinkle lights (incandescent and streets with LEDS). Streets include North Beverly (23 trees), Wilshire (108 trees), Brighton (30 trees), Dayton (22 trees), North Canon (55 trees) and South Santa Monica: Moreno-Canon (69 trees), Santa Monica at Crescent (8 trees). Final locations shall be determined upon review of complete bid from vendors. a) Installation - \$62,810 b) Maintenance - \$11,670 (includes Utopia inspector) c) Replacement LEDs - \$6,325 d) Storage - \$2,070	<b>\$82,875</b>
<b>Wilshire Spans:</b> maintain, install, bring power and storage of decorative spans along Wilshire. Change spans to new bright white lights (new rope lights and c7s for all 6 spans) a) Refurbishment/install/maintain/remove/store = \$3,881 per span b) Change out to white lights = \$6,095 per span	<b>\$59,857</b>
<b>New Light Pole Banners Fabrication</b> (4 Designs, 450 banners) – Design by Swarovski	<b>\$51,807</b>
<b>Canon Drive Décor:</b> refurbishment, installation, removal and storage	<b>\$12,350</b>
<b>Canon Drive Décor:</b> new custom made silver bows (quantity 50)	<b>\$3,450</b>
<b>Subtotal</b>	<b>\$232,850</b>
<b>Sales tax allowance, reimbursables, shipping</b>	<b>\$10,000</b>
<b>Liability Insurance</b>	<b>\$2,150</b>
<b>Project Management, Technical Direction, Maintenance Coordinator</b>	<b>\$25,000</b>
<b>BASE CONTRACT TOTAL</b>	<b>\$270,000</b>
<b>ADDITIONAL DÉCOR ELEMENTS</b>	
<b>Credit from Lowest Bidder for Fabrication and Installation of Light Pole Banners</b>	<b>(\$24,935)</b>
<b>Canon Bows (Additional):</b> Procure 15 bows	<b>\$1,035</b>

<b>Program Element</b>	<b>2011 Budget Estimate</b>
<b>Santa Décor at Beverly/Wilshire:</b> maintain, install, light, removal and storage of Santa Décor at Wilshire/Beverly with side lighting	<b>\$12,530</b>
<b>S. Santa Monica Blvd. Trees - Twinkle Lights and Temporary Power:</b> install, maintain, remove and store twinkle lights on 7 trees on S. Santa Monica Blvd. that don't have permanent power. Between Wilshire and Charleville on West side of street	<b>\$1,932</b>
<b>Wilshire Spans - Enhancement Additional Costs:</b> expedited shipping charges, LED purchase premium and additional labor due to compressed schedule	<b>\$8,296</b>
<b>South Beverly Drive Décor:</b> lighted décor on 39 ficus trees with every other tree decorated. White LEDs wrapped on larger tree branches for some trees and Snow Tubes hung on other trees (approximately 15 per tree). LEDs on 28 trees & Snow Tubes on 11 trees. Includes procurement, installation, maintenance, removal and storage	<b>\$49,342</b>
<b>Peninsula Hotel Trees Décor:</b> refurbish, install, maintain, remove and store hanging lighted snowflake decorations from the ficus trees in front of the Peninsula Hotel (both sides of street)	<b>\$15,076</b>
<b>NEW CONTRACT TOTAL</b>	<b>\$333,276</b>