



Chicago Park District

Legislation Text

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AUTHORIZATION TO ENTER INTO A CONTRACT WITH CHICAGO CITY SKATING, LLC FOR THE MANAGEMENT AND OPERATION OF THE DR. MARTIN LUTHER KING, JR FAMILY ENTERTAINMENT CENTER SPECIFICATION P-15017

To the Honorable Board of Commissioners of the Chicago Park District

I. Recommendation

It is recommended that the General Superintendent and CEO or his designee enter into a contract with Chicago City Skating, LLC for the management and operation of the Dr. Martin Luther King, Jr. Family Entertainment Center. The contractor was selected pursuant to a publicly advertised Request for Proposals ("RFP"). No work may commence and no payment shall be made to contractor prior to the execution of a written agreement.

II. Award Information

Company: Chicago City Skating, LLC
100 E. Campus View Blvd., Suite 115
Columbus, Ohio 43235

Company Type: Limited Liability Company

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|---------------------|--------------------------------|-----|------|
| Majority Interests: | United Skates of America, Inc. | 50% | |
| | - James Dvorak | | 40% |
| | - Jennifer Traeger | 20% | |
| | - Joshua Traeger | 20% | |
| | - Jamie Traeger-Muney | | 20% |
| | Traeger Capital Corp. | 29% | |
| | - Norman L. Traeger | | 100% |
| | Omni Marketing Corporation | 13% | |
| | - James Dvorak | | 100% |

Shareholders control the remaining 8% and none more than a 5% share.

Contract Term: Seven (7) year initial term with three (3) one (1) year extension options. Extension options exercisable solely at the discretion of the Chicago Park District.

Contract Amount: See Exhibit A

Scope of Services: Day-to-day management and operation of Dr. Martin Luther King, Jr. Family Entertainment Center. Responsibilities include: operation of the roller rink, bowling alley, arcade and vending machines, snack bar and special event area; maintenance (interior and exterior); custodial services; security; capital planning and improvements; and marketing and sponsorships.

Affirmative

Action Goals: The Minority and Woman Owned Business Enterprise participation for this contract includes 25% minority owned

and 5% women owned.

Authorization: Authorize the General Counsel to include other relevant terms and conditions in the written Agreement. Authorize the General Superintendent to execute the Agreement and the Secretary to attest as to the signing of the Agreement and keep an original copy of the Agreement on file.

III. Budget and Financial Information

Budget Classification: Operating
Fiscal Year: 2015
Source of Funds: 001.9310.9310.626010.00001.01.01.00001

IV. Procurement Information

Specification Number: P-15017
Date RFP Advertised: April 30, 2015
Date of Site Visit and
Pre-Submittal Meeting: May 19, 2015
Date Proposals Due: June 15, 2015
Number of Proposals Received: Two (2)

This Department of Purchasing (“Purchasing”) publicly advertised this Request for Proposals (“RFP”). Two (2) proposals were received on the due date, and both proposals were found by the Purchasing to be compliant and responsive.

The Evaluation Committee (“EC”) was comprised of five (5) voting members, all CPD staff. The EC began their evaluation of the proposals at their first meeting on July 17, 2015 where the Department of Purchasing (“Purchasing”) distributed the non-Financial portions of each proposal to the EC members, and the EC members submitted to Purchasing their signed Confidentiality Affidavits and Evaluation Guidelines. The EC met again on August 6 where they discussed the non-financial portions of each proposal, submitted to Purchasing their preliminary scores for these sections, and received from Purchasing the financial portions for each proposal. At their third meeting on September 21, the EC discussed the financial portions of the proposals, submitted their preliminary scores for this section to Purchasing, and they decided to invite both proposers to oral presentations on October 1. The EC met immediately after oral presentations and decided to send both proposers a request for a Best and Final Offer with an October 5th deadline. The Department of Purchasing received Best and Final Offers by the deadline, and the EC met on October 7 to continue their discussion of them. The EC concluded their evaluation by unanimously scored Chicago City Skating the highest and recommending them for award of the contract to manage and operate the Dr. Martin Luther King, Jr. Family Entertainment Center.

V. Explanation

The Chicago Park District requires the services of a firm to manage and operate the Dr. Martin Luther King, Jr. Family Entertainment Center (“King Center”). Opened in January 2003, the 40,000 square foot center features an 80 foot wide by 160 feet long roller rink, 12 lane bowling alley, a concession and special event area, and a video and ticket game arcade.

Chicago City Skating, LLC is an affiliate of United Skates of America (“United Skates”), the largest operator of indoor roller skating anchored family entertainment centers in the nation. United Skates has been managing and operating roller rinks for over 40 years, and they currently manage and operate 19 centers in 10 states, and most of them are high volume urban centers like the King Center. They also have extensive experience working with municipalities and community groups and are recognized by the Roller Skating Association International as being an industry leader.

Chicago City Skating has been managing and operating the King Center since it opened in 2003. They keep the King Center in a well maintained condition and have also implemented capital improvements such as refinishing and repairing the 12 bowling lanes; installing new carpet throughout the center; installation of a new sound and video system; installation of new interior and exterior security cameras; new lockers; various furniture, fixtures, and equipment; and new roller skates including 200 pairs of toddler skates.

They are constantly marketing the King Center through the internet and social media efforts and their staff networking with local schools, churches, and community groups, which has resulted in an increase in events and revenue. Last year they hosted over 1100 birthday parties during public skating times per year and over 100 private skating parties outside of public skating sessions. They also implemented a STEM (science, technology, engineering, and math) program at the King Center to bring kids there during the day. This program distributes lesson plans to educators who then bring their students to the King Center for a hands on learning experience which has resulted in over 100 student groups taking advantage of this field trip opportunity this year. Chicago City Skating, LLC has the experience, capability and personnel necessary to manage and operate the King Center. Therefore it is in the best interest of the Chicago Park District to award the contract for the Management and Operation of the Dr. Martin Luther King, Jr. Family Entertainment Center to Chicago City Skating, LLC.

VI. General Conditions

- 1) *Conflicts*: The Concession Permit Agreement shall not be legally binding on the Chicago Park District if entered into in violation of the provisions of 50 ILCS 105, the Public Officer Prohibited Activities Act.
- 2) *Ethics*: The Chicago Park District's Ethics Code, Chapter III of the Code of the Chicago Park District, shall be incorporated into and made part of the Concession Permit Agreement.
- 3) *Contingent Liability*: Any agreement lawfully entered into for a period of more than one year shall be executory only for the amounts for which the Park District may become liable in succeeding fiscal years pursuant to Section 17(i) of the Chicago Park District Act, 70 ILCS 1505/17(i). All agreements authorized herein shall contain a clause that any expenditure beyond the current fiscal year is subject to appropriation in the subsequent fiscal year budget.
- 4) *Economic Disclosure Statement and Affidavit ("EDS")*: Concessionaire has submitted a full and complete EDS.