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ADMINISTRATIVE REPORT

Report Date: April 3, 2009
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Meeting Date: April 21, 2009

TO: Vancouver City Council

FROM: General Manager, Olympic and Paralympic Operations

SUBJECT: Award of Contract to brand.LIVE Management Group Inc, for the Production, Installation, Operation and Decommissioning of Vancouver House

RECOMMENDATION

- A. THAT, subject to the conditions set out in Recommendations B, C, and D Council authorize the City to enter into a contract with brand.LIVE Management Group Inc. (brand.LIVE), to provide the production, installation, operation and decommissioning of the Vancouver House, a project to be located within the Promenade area of the Central Branch of the Vancouver Public Library at Library Square, at a maximum cost of \$1,550,000 including applicable taxes
Source of funds to be:
 - I. \$946,450 from the Olympic and Paralympic Legacy Reserve Fund - Host City Pavilion
 - II. \$603,550 from the Olympic and Paralympic Legacy Reserve Fund - Look of the City
- B. THAT, the Director of Legal Services be authorized to execute and deliver on behalf of the City all legal documents required to implement Recommendation A.
- C. THAT, all such legal documents be on terms and conditions satisfactory to the General Manager, Olympic and Paralympic Operations and the Director of Legal Services.
- D. THAT, no legal rights or obligations will be created by Council's adoption of Recommendations A, B and C above unless and until such legal documents are executed and delivered by the Director of Legal Services.

GENERAL MANAGER'S COMMENTS

The General Manager, Olympic and Paralympic Operations RECOMMENDS approval of the foregoing.

COUNCIL POLICY

On December 11, 2007, Council approved the Olympic and Paralympic Legacy Reserve Fund program and budgets in the amount of \$20,000,000 with instructions to report back on funding for specific projects. On March 24, 2009, Council approved the allocation of \$1,550,000 for the Vancouver House.

PURPOSE

The purpose of this report is to seek Council approval to enter into a contract with brand.LIVE Management Group Inc. (brand.LIVE) for the production, installation, operation and decommissioning of the Vancouver House.

BACKGROUND

The creative concept and budget for the Vancouver House was prepared by brand.LIVE Management Group of Vancouver. brand.LIVE was selected following a Request for Expression of Interest and thorough evaluation of submissions. A contract with brand.LIVE, to develop the design and concept plan for the Vancouver House, was approved by Council on November 25, 2008.

On March 24, 2009, Council received a Report requesting approval of the Vancouver House concept as prepared by brand.LIVE. Council considered the Report and approved the allocation of \$1,550,000 to fund the Vancouver House.

It is now proposed that the City enter into a new contract with brand.LIVE Management Group Inc., on terms satisfactory to the General Manager, Olympic and Paralympic Operations and the Director of Legal Services retain brand.LIVE to complete all remaining work necessary to create, operate and decommission the Vancouver House project, at a maximum cost of \$1,550,000.

DISCUSSION

A Request for Expressions of Interest was issued on August 25, 2008, and closed on September 23, 2008. The Request invited interested and qualified firms to submit their credentials, to enable the city to evaluate and identify applicants best able to meet the City's goals and objectives. A total of 9 submissions were received.

An evaluation team - including representatives from the Vancouver Public Library and New Media BC - reviewed all submissions. Evaluation methodology included relevant project experience, project approach and methodology, project team skills, organizational capabilities and sustainability principles.

Three finalists, all from Vancouver, were selected and interviewed. Finalists were advised that the City of Vancouver intended to follow a clear, two-phase process:

Phase 1

- Engage the preferred firm (Firm A) to prepare the design development and budget plan for the Vancouver House project
- Submit Firm A's design and proposed budget to City Council for approval

Phase 2

- Award a contract with Firm A to create, install, operate and decommission the Vancouver House project, in the scope and within the budget as approved by Council.

The proposal from brand.LIVE was unanimously recommended as providing overall best value to the City. brand.LIVE is a Vancouver-based, full-service production and event management firm. Key personnel have significant experience in designing, building and executing world-class events, pavilions and Olympic venues, including the Canada Pavilion at Expo 2005 in Aichi, Japan and the BC Canada Place in Torino. One unique aspect of brand.LIVE's proposal was the inclusion of a team member assigned to develop community-based initiatives and content creation for the Pavilion.

The firm is also an active member of the Community Ecosystem Restoration Initiative (CERI), which ensures that any project that brand.LIVE manages has a zero carbon footprint on the global environment.

brand.LIVE has now presented a clear and well-considered work plan and timeline for creating, operating and decommissioning the Vancouver House, on time and on budget. Design criteria and elements include logistical considerations, creative opportunities for partnerships, community involvement, sustainability details and identification of legacy elements.

Budget

brand.LIVE's budget for Phase 2 of the Vancouver House project is as follows:

Design and Production Fees	\$375,000
Sound, Lighting and Video systems	325,000
Drape & Scenic Elements purchase and fabrication	350,000
Video and Multimedia Content and Licensing	150,000
Installation and Take-down	175,000
Operations and Website	50,000
Contingency	50,000
Taxes	75,000
Total	<u>\$1,550,000</u>

Oversight and Contractual Controls

The contract with brand.LIVE will require the firm to demonstrate competitive procurement of the contracts, and will also provide for City oversight and audit controls, while maintaining transparency and competitiveness. The budget will be broken down into tasks and segments, and funds cannot be transferred from one segment to another without City approval. The City will also retain the ability to manage and amend the allocation of funds across segments throughout the implementation of the program.

brand.LIVE will retain the required best suppliers, contractors and talent, within the limits of the scope, budget and schedule, including:

- City oversight and management of all budget amounts;
- City to have full access and audit rights to the financial records relating to the Vancouver House project, including all sub-contract evaluation and sub-contract award information;
- Selection to be based on same principles as City policy, namely best value, but not necessarily lowest price;
- brand.LIVE to use City and VANOC suppliers if possible, but not required if not best value.

CONCLUSION

The award of a contract to brand.LIVE Management Group Inc, for the production, installation, operation and decommissioning of the Vancouver House, will allow staff to continue working with brand.LIVE on the detailed planning and to proceed on schedule to ensure the design, operation and budget meets the City's expectations and requirements, as outlined in the Report received and approved by City Council on March 24, 2009.

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