



ADMINISTRATIVE REPORT

Report Date: September 2, 2009
Contact: Sue Harvey
Contact No.: 604.871.6001
RTS No.: 08292
VanRIMS No.: 08-2000-20
Meeting Date: September 22, 2009

TO: Vancouver City Council

FROM: Executive Producer, LiveCity Vancouver (Managing Director, Cultural Services)

SUBJECT: LiveCity Vancouver - Award of Supplier Contracts

RECOMMENDATION

- A. THAT Council authorise Live Nation Canada, Inc., acting as general contractor for the LiveCity Vancouver project, to award a contract to Groupe Solotech Inc. for video equipment supply and services at a total cost not to exceed \$440,725 plus GST and as outlined in this report; source of funding to be the previously-approved \$18 million LiveCity Vancouver project budget;
- B. THAT Council authorise Live Nation Canada, Inc., acting as general contractor for the LiveCity Vancouver project, to award a contract to Sensor Protection Group Inc. for specialised security services at a total cost not to exceed \$303,356 plus GST and as outlined in this report; source of funding to be the previously-approved \$18 million LiveCity Vancouver project budget;
- C. THAT Council authorise the General Manager of Olympic Operations and Executive Producer, LiveCity Vancouver (Managing Director of Cultural Services) to approve terms and conditions in consultation with the Director of Legal Services for the contracts set out in Recommendations A and B;
- D. THAT no legal rights or obligations will be created by Council's adoption of Recommendations A and B above, unless and until such legal documents are executed and delivered by Live Nation Canada, Inc. to the Executive Producer, LiveCity Vancouver (Managing Director of Cultural Services).

CITY MANAGER'S COMMENTS

The City Manager 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 million with instructions to report back on funding for specific projects.

On March 24, 2009, Council approved a total project budget of \$18 million for LiveCity Vancouver (RTS#07950) including a funding allocation of \$5 million from the Olympic and Paralympic Legacy Reserve (RTS # 6933 and 7533), and a \$10 million contribution from the Government of Canada with the balance of the funding to be secured from earned revenues and sponsorships.

On March 24, 2009 Council approved a process to acquire the necessary products and services on behalf of the City to plan, produce and operate LiveCity Vancouver subject to the City's senior management oversight and contractual controls on the utilization of competitive processes, approvals and audit controls and further, approved the retention of Live Nation Canada, Inc. as the Live Sites Producer acting as general contractor for LiveCity Vancouver on behalf of the City (RTS#07950).

Contracts with a value over \$300,000 are referred to Council for approval.

PURPOSE

The purpose of this report is to seek Council authorisation for Live Nation Canada, Inc., acting as general contractor for LiveCity Vancouver, to enter into agreements with values greater than \$300,000 for the supply of services and materials as outlined in this report and as called for in the procurement process previously approved by Council.

BACKGROUND

On March 24, 2009 Council approved (RTS# 07950) the LiveCity concept, retention of a Producer and Creative Director team (the production firm) as well as a process to acquire the necessary products and services to produce and operate the Live Sites. This process is subject to the City's senior management oversight and contractual controls on the utilization of competitive processes, approvals and audit controls on the production firm.

This oversight system has been put in place to enable Live Nation Canada, Inc., as the production firm (acting as general contractor) to acquire the necessary goods and services while maintaining transparency, competitiveness and City oversight.

Contract Approval Process requires the Producer to obtain City approval of all of its significant contracts in a manner that parallels the City's internal procurement policy, as follows:

Table 1

CONTRACT AMOUNTS:	APPROVALS BY:
Up to \$10,000	•Producer, LiveCity Vancouver
\$10,000 to \$100,000	• General Manager Olympic and Paralympic Operations or Executive Producer, LiveCity Vancouver (Managing Director of Cultural Services)
\$100,000 to \$300,000	•General Manager Olympic and Paralympic

	Operations; and •Executive Producer, LiveCity Vancouver (Managing Director of Cultural Services).
Over \$300,000	•General Manager Olympic and Paralympic Operations; •Executive Producer, LiveCity Vancouver (Managing Director of Cultural Services); and •Vancouver City Council

A list of all materials and services (excluding artists) necessary to design, build, and operate the Live Sites was advertised through the 2010 Commerce Centre (www.2010commercecentre.gov.bc.ca) and in the Vancouver Sun.

This report seeks Council approval of two supplier contracts each with values over \$300,000 as follows:

- Video services; and
- Specialised security services.

DISCUSSION

From the inquiries received as a result of advertising and industry contacts, Live Nation Canada, Inc. identified a minimum of three qualified professionals in each of the supplier services categories. RFP's were sought from the pre-qualified proponents.

Video:

The RFP for video services and equipment closed August 17th. Eight firms were pre-qualified; four submissions were received.

1. Chaos Visual Productions
2. Groupe Solotech Inc.
3. Panasonic
4. PRG Canada Video Applications Inc.

Each submission was evaluated using a consistent methodology and reviewed by Stantec Consulting Inc. acting as LiveCity project managers. Evaluation criteria included relevant project experience, project approach and methodology, team skills, organizational capabilities, proposed schedule and price.

Based on the qualitative response to the RFP as well as lowest price, Groupe Solotech Inc. is recommended as the LiveCity Vancouver video supplier (Recommendation A) working in conjunction with Panasonic, the official Olympic supplier of large format screens.

Specialized Security Services:

The City of Vancouver has an Integrated Security Contract with Concord Security for all City requirements to 2012. While not a requirement of that agreement, Concord Security and Live Nation Canada, Inc. have concluded a beneficial arrangement to extend the ISC to cover the basic security requirement at the two LiveCity Vancouver sites.

LiveCity Vancouver has additional security requirements for specialised areas such as the stage and back of house areas as well as canine services. An RFP for specialised security was

issued in July and closed August 17th. Eight firms were pre-qualified; five submissions were received.

1. Contemporary International Canada (excluding Canine services)
2. International Crowd Management Inc. (excluding Canine services)
3. Sensor Protection Group Ltd. (excluding Canine services)
4. Source Security Investigations (excluding Canine services)
5. Western K-9 Security (Canine services only)

Each submission was evaluated using a consistent methodology and reviewed by Stantec Consulting Inc. acting as LiveCity project managers. Evaluation criteria included relevant project experience, project approach and methodology, team skills, organizational capabilities, proposed schedule and price.

Based on the qualitative response to the RFP as well as lowest price, Sensor Protection Group Ltd. is recommended as the specialized security supplier (Recommendation B). Canine services, with a total value well under \$30,000, will be contracted separately.

FINANCIAL IMPLICATIONS

On March 24, 2009 Council approved a project budget of \$18 million for the LiveCity Vancouver Project. Source of funding includes; Canadian Heritage (Federal Government Contribution); the City's Olympic Legacy Reserve (RTS # 07533) and confirmed and projected income from sponsorship sales and operations.

LiveCity Vancouver has engaged Stantec to provide project management functions including procurement and budget oversight. They have confirmed that the methodology used meets the requirements set out by City Council and that the value of the contracts recommended fall within the project budget.

If the Recommendations in RTS No. 08316 are adopted by Council prior to consideration of this report, Council will have approved subcontracts in the amount of up to \$3.876 million to date. Should Council approve to award the supplier contracts outlined in this report and detailed in Table 2 below, a further maximum \$744,081 would be paid for through the Olympic Legacy Reserve Fund - LiveCity Budget.

Table 2

Award of supplier contracts	Maximum Contract Amount
Groupe Solotech Inc.	\$440,725 plus GST
Sensor Protection Group Ltd.	\$303,356 plus GST

CONCLUSION

This report seeks Council approval for Live Nation Canada, Inc., acting as general contractor, to enter into agreements as outlined above and as provided for in the previously approved Live City procurement process and necessary to realise the LiveCity Vancouver project.

* * * * *