



Board Agenda Item 53

DATE: September 11, 2018

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Fresno City/County Historical Society Agreement

RECOMMENDED ACTION(S):

- 1. Make a finding that it is in the best interest of the County to waive the competitive bidding process consistent with Administrative Policy No. 34 for unusual or extraordinary circumstances for the solicitation of the operation and maintenance of the Kearney Mansion Museum Complex for the Department of Public Works and Planning; and**
- 2. Approve and authorize the Chairman to execute a sole source Agreement with the Fresno City/County Historical Society for operation and maintenance of the Kearney Mansion Museum Complex, which includes authorization to hold exclusive use events at Kearney Park at reduced rates and allows the Historical Society to collect a reasonable entrance fee instead of the \$5 vehicle entrance fee for those events, effective October 1, 2018 through September 30, 2023, with an optional five-year extension. (\$193,250)**

Approval of the recommended action will allow the Department of Public Works and Planning through the Fresno City/County Historical Society (Historical Society) to continue development, enhancement, and maintenance of the cultural, historical, and social resources related to the Kearney Mansion Museum Complex. The complex includes the Servants' quarters, Carriage House, and Ice House. This item pertains to a location in District 1.

ALTERNATIVE ACTION(S):

There is no viable alternative action.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

The Department's request to waive the competitive bidding process is consistent with Administrative Policy No. 34 as the recommended agreement qualifies for exemption from public bidding pursuant to Government Code, Section 26227, which allows the Board to contract with other public or private agencies for the use of county owned or possessed property to operate programs the Board determines will serve the social needs of the County's population.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The maximum compensation for the five-year agreement, with an optional five-year extension, is \$193,250 (\$19,325 a year) to help fund the operation and maintenance of the Kearney Mansion Museum Complex.

The recommended agreement provides for a 50% reduction in the rental revenue for each Historical Society event held at Kearney Park, estimated at two events a year, which represents a reduction of \$1,635 per day based on the current \$3,270 per day Master Schedule of Fee (MSF) rate to use the entire Kearney Park. The recommended agreement requires full payment of \$1,000, per the MSF, of the daily refundable deposit for damage/cleanup and allows the Historical Society to charge a reasonable entrance fee instead of the standard vehicle entrance fee, currently \$5 per vehicle per the MSF. The Historical Society may appropriate the revenue from the entrance fees at its annual Living History Event as the Historical Society sees fit. The Historical Society shall appropriate the revenue from entrance fees at any other events it conducts under the recommended agreement to the upkeep of the Kearney Mansion Museum Complex. The Department of Public Works and Planning - Parks and Grounds Org 7910 FY 2018-19 Recommended Budget reflects the reduced rental revenues and the exclusion of approximately \$25,000 in vehicle entrance fees related to the annual two-day Living History, which is a Civil War reenactment event. Impacts to revenues resulting from future arranged events will be reflected in those applicable fiscal years.

Sufficient appropriations and estimated revenues are included in the Interest and Miscellaneous Expenditures Org 2540 (\$12,500) and Department of Public Works and Planning - Parks and Grounds Org 7910 (\$6,825) FY 2018-19 Recommended Budgets and will be included in budget requests for the terms duration.

DISCUSSION:

The County leases and operates Kearney Park, which is owned by the Regents of the University of California. The no cost 78-year amended lease will expire in February 2027. The Kearney Mansion Museum Complex is located at 7160 West Kearney Boulevard inside Kearney Park. The Fresno City/County Historical Society began partnering with the County in 1962 to care for the Kearney Mansion Museum Complex, twelve years after the County began operating the Kearney estate grounds as a public park. The Historical Society assumed the administration of the Kearney Superintendent's Lodge as a historic site museum and responsibility for the Servants' quarters, Carriage House, and Ice House, which comprise the Kearney Mansion Museum Complex.

The Historical Society is responsible for the upkeep and maintenance of the interior and exterior of the Kearney Mansion Museum Complex, except those services deemed the responsibility of the County. For these services, the County will pay the Historical Society \$19,325 per year, not to exceed \$193,250 for the possible ten-year term of the recommended agreement. To offset potential costs, the recommended agreement allows the Historical Society to host events, such as the annual two-day Living History, which is a Civil War reenactment. At the events it holds at Kearney Park, the Historical Society may sell merchandise, food, and drinks, and must provide adequate security, parking, traffic control, and sanitary facilities.

Additionally, the Historical Society may charge a reasonable fee for admission into the Kearney Mansion Museum Complex, and retain the funds received, if the funds are devoted to and expended for the promotion, development, operation, and maintenance of the Kearney Mansion Museum Complex. The Historical Society will also provide a curator for the Kearney Mansion Museum Complex. The Historical Society shall prepare and provide to the County an annual statement of all such revenues received and all expenditures incurred by the Historical Society for the promotion, development, operation, and maintenance of the Kearney Mansion Museum Complex. The Historical Society provides guided tours of the mansion, public presentations, newsletters, and historical resource information regarding the Kearney Mansion Museum Complex. Admission for the guided tours range in price from \$6 for adults to free for children 3 years and younger.

The County is responsible for the necessary improvements to the grounds to allow public access into the Kearney Mansion Museum Complex and convenience of the public, including roads, parking lot, restrooms, sidewalks, and fences. The County provides utilities including water and electricity, a security alarm system, and periodic landscaping to the grounds adjacent to the Kearney Mansion Museum Complex. In

addition, the County will continue to be responsible for the maintenance of the Mansion's heating, ventilation, and air conditioning systems, and major plumbing and electrical systems, contingent upon the availability of funding.

The recommended agreement's insurance provisions are in line with provisions approved by Risk Management. The County continues to provide property insurance against certain loss of or damage to the Kearney Mansion Museum Complex, but does not extend to the Historical Society's personal property. The recommended agreement includes provisions for the Historical Society to indemnify the County against liabilities, losses, etc. resulting to County and others due to the performance of or failure to perform by the Historical Society and that the County indemnify the Historical Society from certain losses sustained by the public resulting from incidents occurring on the premises of Kearney Park that are unrelated to the Historical Society's performance or failure to perform. This provision applies only to the non-event use of Kearney Park by the public, and not to the Historical Society's exclusive use of Kearney Park for historical related events.

The recommended agreement deviates from the County's standard term of five-years at request of the Historical Society, and concurrence from the Department, to again make it a five-year agreement with an optional five-year extension as it was useful to Department staff for budget forecasting and longer-term renovations to the Kearney Mansion Museum Complex.

With your Board's approval, the Historical Society will maintain, develop, enhance, and operate the Kearney Mansion Museum Complex as a historical museum for the benefit of the citizens of Fresno County.

REFERENCE MATERIAL:

BAI #55, September 26, 2017
BAI #47, May 21, 2013
BBR, Historical Society's relationship with Fresno County, Posted August 23, 2012
BAI #36, August 7, 2012
BAI #37, August 7, 2012
BAI #24, September 27, 2011
BAI #9, September 22, 2009

ATTACHMENTS INCLUDED AND/OR ON FILE:

Sole Source Acquisition Request
On file with Clerk - Agreement with Fresno City/County Historical Society

CAO ANALYST:

Sonia M. De La Rosa