



City of Maricopa

Legislation Text

File #: CON 12-058, **Version:** 2

The Mayor and City Council shall discuss and possibly take action on approving a contract with Action Alliance Network for producing the 2012 Stagecoach Days, 2013 Salsa Festival, and the 2013 Great American Barbecue events for the City of Maricopa in an amount not to exceed \$62,000 from FY12-13 General Fund, Great American Barbecue Technical (10033002-53340); General Fund, Stagecoach Days, Technical (10033003-53340) and General Fund, Salsa Festival, Technical (10033006-53340). Discussion and Action.

Staff has conducted research into how cities coordinate their special events. There are several ways in which these events can be produced. The first approach is that cities produce the events using only city staff and city funding. These cities may seek out sponsorships, obtain event partners and charge for admission, services and activities at the event to help offset expenditures. The second approach is that cities have an outside organization produce the event at a City facility. The city would then charge the organization to use the facility and for city services. The City would have the option to be a sponsor at the event. The last approach is that cities may contract with an outside organization to produce the event but the City still maintains ownership of the event. In this type of contract, city services and sponsorship funding may be provided for certain aspects of the event. The outside organization would be responsible for the remaining funding that the City does not provide.

The proposed contract with Action Alliance Network would have them as the producer of the event and the City of Maricopa as the owner. The contract specifically identifies the duties and responsibilities of both parties as well as what is funded by each party. The City will have approval over the budget, site plan, event plan, sales and marketing plan including sponsorships and all collateral material including press releases, posters, banners and media alerts.

The City of Maricopa will provide and pay for a variety of City services such as police, fire, traffic, refuse, shuttles and portable restrooms. The funding amount of \$62,000 consists of sponsorship funds for each of these events. This also provides the opportunity for, at the City's discretion, additional sponsorship dollars to Action Alliance Network for partnering with local non-profit organizations at the event.

Action Alliance Network will provide and pay for the overall operations of the event including the event plan, overall design, accounting, on-site sponsor coordination, entertainment, attractions, merchandising, marketing, promotion and new elements for the event. Action Alliance Network will also be given the opportunity to charge for services and activities at the event to increase revenue potential. The prices for these services and activities will be agreed upon by City of Maricopa. Action Alliance Network would also be responsible for any expenses in excess of the agreed upon budget. In addition Action Alliance Network will be responsible for providing reports and plans to the City as well as reports detailing expenditures and revenues for the event.

In the adopted FY12-13 budget, a total of \$93,500 was approved for producing the three events, as outlined above, by the Action Alliance Network as follows:

- Great American Barbeque, Technical (10033002-53340) - \$12,000
- Stagecoach Days, Technical (10033003-53340) - \$41,750
- Salsa Festival, Technical (10033006-53340) - \$39,750

Staff is proposing an agreement, not to exceed \$62,000, to fund the events. If approved, staff may transfer budgetary authority between the three budgetary line items but not to exceed \$62,000 for the three events.

The impact of this proposed contract is that it improves reporting and fiscal accountability to the City by Action Alliance Network. It maintains the integrity of the event as a City of Maricopa signature event. It creates additional revenue opportunities for Action Alliance Network and decreases the cost to the City by approximately \$30,000. The original contract with Action Alliance Network was approved in FY11-12, and in this action the City is exercising its option for a one-year renewal on the original contract. As no additional renewal options exist for future fiscal years, the City will be required to publish a solicitation for a new contract in the Spring of 2013.

Staff recommends approval of the contract with Action Alliance Network for the production of the 2012 Stagecoach Days, 2013 Salsa Festival, and the 2013 Great American Barbecue events for the City of Maricopa.