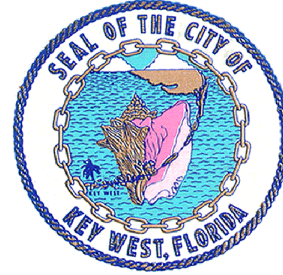


EXECUTIVE SUMMARY



TO: City Commission

CC: Jim Scholl, Greg Veliz

FR: Marilyn Wilbarger, RPA, CCIM

DT: July 30, 2019

RE: Professional Management Services Agreement for the Truman Waterfront Amphitheater

ACTION: This is a request to approve a Professional Management Services Agreement between the City of Key West and Rams Head Promotions of Key West, LLC a Florida Limited Liability Company, for management of the Truman Waterfront Amphitheater.

HISTORY: The City issued a Request for Qualifications (RFQ#19-003) for the Key West Amphitheater Management. The City Commission approved the proposal submitted by Ram Head Promotions and a Professional Management Services Agreement has been negotiated based upon the following terms:

Services: The Manager shall work independently to ensure proper operation of the amphitheater while minimizing City involvement in event operations. The Manager will be responsible for the administration, financial management, marketing/outreach, venue operations and maintenance, event operations and coordination with City services as detailed in the attached agreement.

Contract Term: Three years effective upon approval with two extensions of three years each

Fees: In exchange for providing Professional Management Services herein described the use fees will be waived by the City for events organized by the Manager however ticket surcharges shall apply.

It is expressly understood and agreed that the Management fees will be derived from the waiver of venue use fees for Manager organized events, provision of services to other event organizers, sales of sponsorships, food and beverage, and merchandise sales

Ticket Surcharges: The City shall receive for the use of the Amphitheater the following event ticket surcharges:

\$3.00 per ticket on all tickets sold with a price greater than or equal

to \$60.00

\$2.00 per ticket on all tickets sold with a price between \$40.00 - \$59.99

\$1.00 per ticket on all tickets sold with a price less than \$40.00

For non-ticketed events: \$1.00 per person attending all private events

Sponsorship Fees: The CITY shall receive 35% of event sponsorship revenue

The CITY shall receive 35% Naming Rights including of Name in Title of Name over Title rights

Food and Beverage: There shall be no fees payable to the City from Manager's Food and Beverage Sales

Merchandise: There shall be no fees payable to the City from Manager's Merchandise Sales

Parking All metered (pay and display) parking revenue will accrue to the benefit of the City and 50% of all other parking net revenue will accrue to local non-profit organizations.

Insurance and Indemnification: The Manager shall procure and maintain for the duration of this Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Manager, its agents, representatives, employees, or subcontractors. The cost of such insurance shall be the sole responsibility of the Manager.

Capital Expenditures: The obligation to pay for, and authority to perform, direct and supervise Capital Equipment and Capital Improvements purchases, including repairs and maintenance of such Capital Equipment and Capital Improvements, shall remain with the City.

Maintenance: The Manager will be responsible for the routine maintenance and reasonable repair of the Amphitheater and shall perform maintenance and repairs related to events held at the venue, as may be reasonably needed to maintain the venue and the furniture, fixtures, and equipment in good repair and a clean condition, reasonable wear and tear excepted.

CONCLUSION: It has been determined that it would be in the best interest of the citizens that the City to utilize the services of private persons for management, operations and

promotional services at the Truman Waterfront Amphitheater and it has been determined that it would be better to contract for these services than to hire the necessary personnel to satisfy the needs of the City in this regard. Therefore, the attached agreement is presented for approval in accordance with City procurement policy.

ATTACHMENTS: Professional Management Services Agreement
Truman Waterfront Rental Guide
RFQ – 19-003
Rams Head Promotions of Key West LLC Proposal
Corporate Filings