

RESOLUTION NO. 16-128

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AUTHORIZING THE CITY MANAGER TO NEGOTIATE AN AGREEMENT BETWEEN THE CITY OF KEY WEST AND THE KEY WEST TOURIST DEVELOPMENT ASSOCIATION, INC. ("ASSOCIATION") WHICH INCLUDE FINANCIAL TERMS FOR EITHER (A) A TERM OF FIVE YEARS TO INCLUDE AN INCREASE OF \$10,000.00 PER YEAR ON THE EXPENSES CAP OR (B) A TERM OF THREE YEARS TO INCLUDE AN INCREASE OF \$10,000 PER YEAR ON THE EXPENSES CAP PLUS AN OPTION TO RENEW AT THE CITY'S SOLE OPTION FOR UP TO TWO ADDITIONAL YEARS TO INCLUDE AN INCREASE OF \$5,000.00 PER YEAR ON THE EXPENSES CAP; AUTHORIZING THE CITY MANAGER TO NEGOTIATE ADDITIONAL TERMS AS NECESSARY UPON CONSENT OF THE CITY ATTORNEY; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, in Resolution No. 11-166, the City Commission approved a five-year Agreement with the Association, covering Fantasy Fest activities from 2011 through 2015; and

WHEREAS, the next annual Fantasy Fest event is scheduled for October 28th and 29th, 2016; and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA:

SECTION 1. That the City Manager is authorized to negotiate an Agreement between the City of Key West and the Key West Tourist Development Association, Inc. upon financial terms which include either (a) a term of five (5) years to include an increase of \$10,000.00 per year on the expenses cap, or (b) a term of three (3) years to include an increase of \$10,000.00 per

year on the expenses cap plus an option to renew at the City's sole option for up to two (2) additional years to include an increase of \$5,000.00 per year on the expenses cap.

SECTION 2. That the City Manager is authorized to negotiate additional terms as necessary upon consent of the City Attorney.

SECTION 3. That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the presiding officer and the Clerk of the Commission.

Passed and adopted by the Commission at a meeting held this 6th day of April, 2016.

Authenticated by the presiding officer and Clerk of the Commission on October 4, 2016.

Filed with the Clerk October 4, 2016.

Mayor Craig Cates	<u>Yes</u>
Vice Mayor Clayton Lopez	<u>Yes</u>
Commissioner Sam Kaufman	<u>Yes</u>
Commissioner Richard Payne	<u>Yes</u>
Commissioner Margaret Romero	<u>No</u>
Commissioner Billy Wardlow	<u>Yes</u>
Commissioner Jimmy Weekley	<u>Yes</u>



CRAIG CATES, MAYOR



CHERYL SMITH, CITY CLERK

AGREEMENT

THIS AGREEMENT made between the CITY OF KEY WEST, FLORIDA, hereinafter called "City" and the KEY WEST TOURIST DEVELOPMENT ASSOCIATION, INC., hereinafter called "Association" for the annual Fantasy Fest celebration during October 2016 - 2020.

WITNESSETH:

WHEREAS, Association will hold a celebration known as Fantasy Fest in the City of Key West; and

WHEREAS, the celebration will require the provision of additional or extraordinary support services from City in order that said celebration may be held in Key West, Florida; and

NOW, THEREFORE, it is mutually agreed between City and Association as follows:

A. Masquerade March, the Friday before the parade.

1. There will be two pedestrian processions, each being led by a musical band, leaving the Key West Cemetery at 5:00 p.m. and arriving on Duval Street at approximately 7:30 p.m. The exact route of the processions will be as indicated on the map attached hereto as Exhibit "C".
2. Association shall contract and pay for a total of eight law enforcement officers to ensure traffic control and the safety of the participants. Each pedestrian procession must have a law enforcement escort vehicle at the front and at the rear of each procession.
3. Trash and recycling receptacles shall be placed at the staging area and at suitable locations throughout the route to ensure adequate collection.

B. Fantasy Zones - During Friday Street Fair & Saturday Parade.

1. The Fantasy Zones are identified on exhibit A. Association shall:

- a. Arrange for trash and recycle receptacles and post signs in letters no less than 2" in height as follows: **"NO ALCOHOLIC BEVERAGES, BODY PAINTING OR PERSONS IN VIOLATION OF THE NUDITY ORDINANCE ALLOWED BEYOND THIS POINT."**
"Clothing required beyond the Fantasy Zone."
 - b. Assign monitors to patrol the Fantasy Zones requesting persons leaving to deposit all alcoholic beverages into trash and recycle receptacles and advising participants of the city's nudity laws.
 - c. Shall provide port-a-potties as directed by the City Manager.
 - d. Assure that persons engaged in body painting and airbrushing are not located on public property.
2. City agrees to provide barricades, traffic regulatory signs, close those streets and portions of streets, and prohibit parking on said streets as indicated on Exhibits "B," and "D," attached hereto, as follows:
- a. **Street Fair:** Street Closure from 10:00 a.m. (closed for set up of vendors) to 4:00 a.m. **The Street Fair will begin at 12:00 noon and end at 1:00 a.m.** All vendors or individuals otherwise utilizing booth space shall be closed by 1 a.m. and off the street by 4:00 a.m. The Association agrees that any vendor violating this section shall not be permitted space at any future event. Any deposits retained by the Association by virtue of a vendor or operator's actions or inactions shall be remitted to the City within 45 days. **No face painting or body painting booths will be allowed on street.**
 - b. **Promenade:** Street closure from 9:00 a.m. to 5:00 p.m. **The Promenade hours shall be from 10:00 a.m. to 5:00 p.m.** Duval Street must be cleared no later than 6:00 p.m. Except for the area of Greene and Duval Streets.

City licensed HRCC Zone mobile vendors will be allowed on side streets from 12:00 noon to 10:00 p.m. HRCC Vendors wishing to remain on the streets until 10:00 p.m. must relocate to designated side streets. City will supply letter to Association naming approved vendors, the number and exact location. These HRCC

Zone mobile vendors must remain in location assigned by police department which will not interfere with fire lanes and Fantasy Fest Street Fair Vendors.

Food booths will begin set up at 10:00 a.m. on Greene, Caroline, Fleming, Petronia and Southard Streets. Please refer to Exhibit "B."

- c. **Saturday evening: The parade will begin at 7:00 p.m. and end at approximately 10:30 p.m. as indicated on Exhibit "E." Nudity and lewd acts will not be permitted.**

- 3. Association shall contract and pay for law enforcement officers from the Key West Police Department and the Monroe County Sheriff's Office for the required number of law enforcement officers for the Fantasy Zones, the Street Fair, and Promenade Saturday evening (including the City's portion, if applicable).

Should the Key West Police Department determine additional security is required, additional officer(s) will be assigned.

Should there be any additional costs incurred by the City that do not appear in the costs estimates, as the result of additional labor or equipment provided by the City of Key West, the festival organizer or contact person shall be informed by the City department spokesperson or contact person providing the service as soon as practical.

The City department spokesperson or contact person providing the services shall immediately advise the City Manager of the action to add extra labor or equipment.

Requirements for the employment of off-duty Key West Police Officers is attached hereto as Exhibit "F." City will provide Association with the list of Key West Police Officers working the events.

- 4. Association shall advise all vendors not to discard used cooking oils, grease, or any other materials onto City streets or into storm drains. The Association shall provide appropriate collection containers conveniently located and readily available to facilitate vendors in properly discarding all cooking oil and grease.

5. No vendors will be permitted in the projected pedestrian right-of-way at intersections.
6. Association agrees to keep one lane of all blocked streets open at all times during the events to allow access to any areas of the blocked streets for emergency vehicles.
7. Association will provide portable toilets to be available to the public during all events, as required by the city manager or designee Friday and Saturday only.
8. City will provide extra trash receptacles for use during the events. Association shall pay costs for two pick-ups and disposal charges for referenced trash and recycle receptacles.
9. City will provide clean-up crews to remove all litter resulting from the events, with costs of said clean-up to be paid by Association, as provided for in Exhibit "G" of this Agreement.

C. Insurance and Indemnity requirements.

Association shall:

1. Provide comprehensive liability insurance insuring itself and City against all claims of damages or injury to persons or property arising for any reason as a result of the activities associated with events permitted by City. The insurance policy shall be written by a solvent insurance company in good standing and shall provide a minimum of \$2 Million coverage for bodily injury arising out of one incident and \$10 Million Dollars aggregate. This policy shall show City as an additional named insured and a copy shall be provided to the Special Events Section of the City Manager's Office no later than three weeks before the Fantasy Fest's first event.
2. Indemnify and hold City harmless from all losses, claims, damages, liabilities, and expenses which may be incurred by City or which may be claimed against City by any person, firm, to the person or property of any person, firm, corporation, or entity, which are consequent or arise from the activities of Association or its equipment, employees, agents, guests, licensees, or invitees for the Association's activities or which damages/injuries are consequent or arise from Association's failure to comply with all applicable laws, statutes, ordinances, and regulations.

D. Payment for City Services

1. Attached hereto as Exhibit "G" is City's good faith estimate of costs for City services for the Fantasy Fest events approved under this agreement. It is understood this estimate is based on actual services provided by City during the 2015 Fantasy Fest and the information provided by Association for the previous year.
2. City will provide to Association an itemized invoice of actual costs incurred for all services rendered in connection with the events approved by this Agreement.
3. Association will remit payment to City within forty-five (45) days of invoice date an amount up to the sum of up to \$55,750.00 for those services itemized on the invoice with the understanding Association will remit payment directly to all contracted off-duty law enforcement officers and its fire department personnel. The Association shall make arrangements for privately contracted clean-up services to assist with the clean-up during the Fantasy Fest events on Friday and Saturday. Each year thereafter, Association will be billed up to the sum of \$55,750.00, which amount shall be increased by the amount of \$10,000.00 each year thereafter through 2020.

The annual fee \$55,750.00 , as adjusted per year, includes all services, whether paid for directly by Association for Tourism Development or provided by the City.

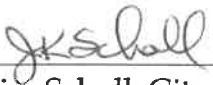
E. Term

1. The term of this agreement shall be for five (5) years and shall apply to the Fantasy Fest activities for the years 2016 to 2020, inclusive. Each year, no later than 120 days before Fantasy Fest, the Association shall supply to the City that year's schedule of events, which shall become an attachment to this Agreement. In addition, a new exhibit "G," pursuant to paragraph F.1., shall be attached to this Agreement each year. Its terms shall be at the mutual agreement of the parties.
2. In the event TDA determines that the mandatory expense payment renders the event financially un-feasible TDA may terminate the remaining term of this Agreement by an instrument in writing

delivered to the City no later than March 31 of the year of termination.

IN WITNESS WHEREOF, Association and City hereby accept and agree to abide by the terms and conditions set forth herein, and have hereunto executed this Agreement, this 4TH day of OCTOBER, 2016.

CITY OF KEY WEST



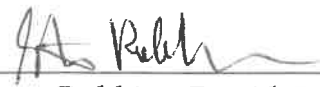
Jim Scholl, City Manager





Cheryl Smith, City Clerk

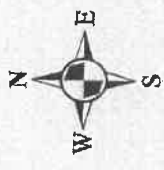
KEY WEST TOURIST DEVELOPMENT ASSOCIATION



Steve Robbins, President

ATTEST:

Secretary



FANTASY FEST 2016

Street Closures
Fantasy Zone

Fantasy Zone

DUVAL ST

Exhibit "A"

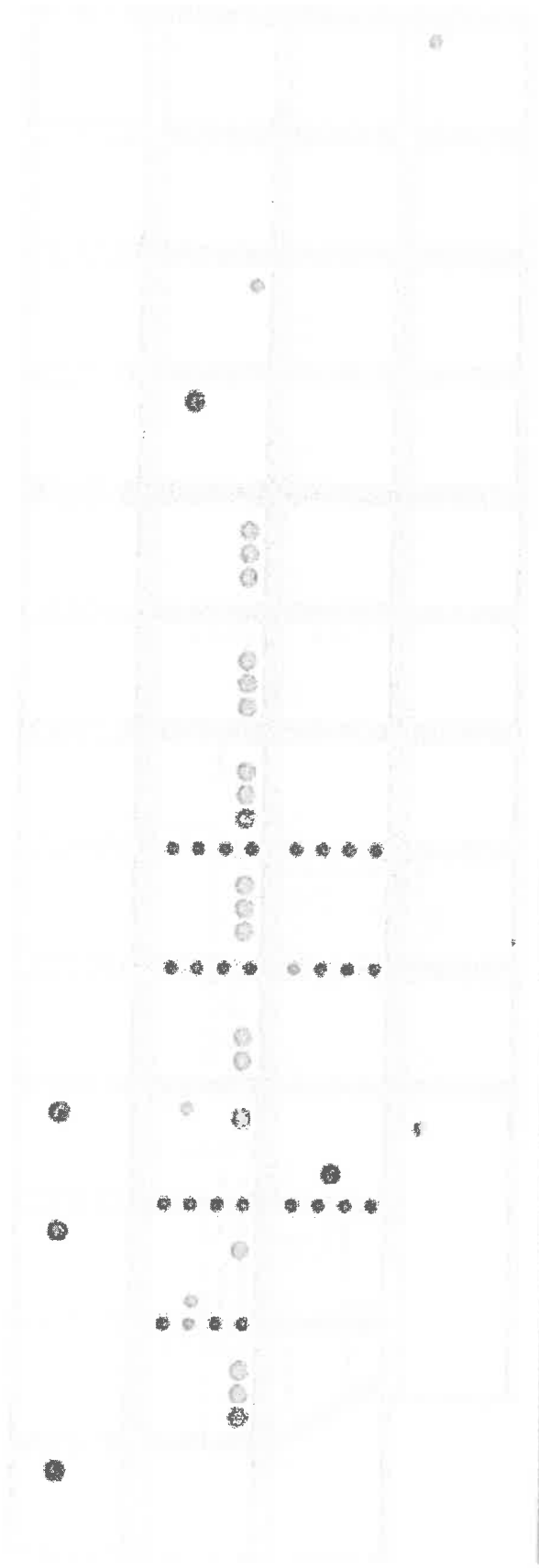
Esri, HERE, DeLorme, MapmyIndia, © OpenStreetMap contributors, and the GIS user community

Streets within the zone may be closed throughout the festival.

GISKW2016

October 2016

CLOSED STREETS: TO ACCOMMODATE THE MANY STREET ACTIVITIES DURING THE FESTIVAL, THERE WILL BE SEVERAL STREETS CLOSED DURING FESTIVITIES



LEGEND



- FIRST AID STATION



- HANDICAPPED PORT-O-LETS

- PORT-O-LETS



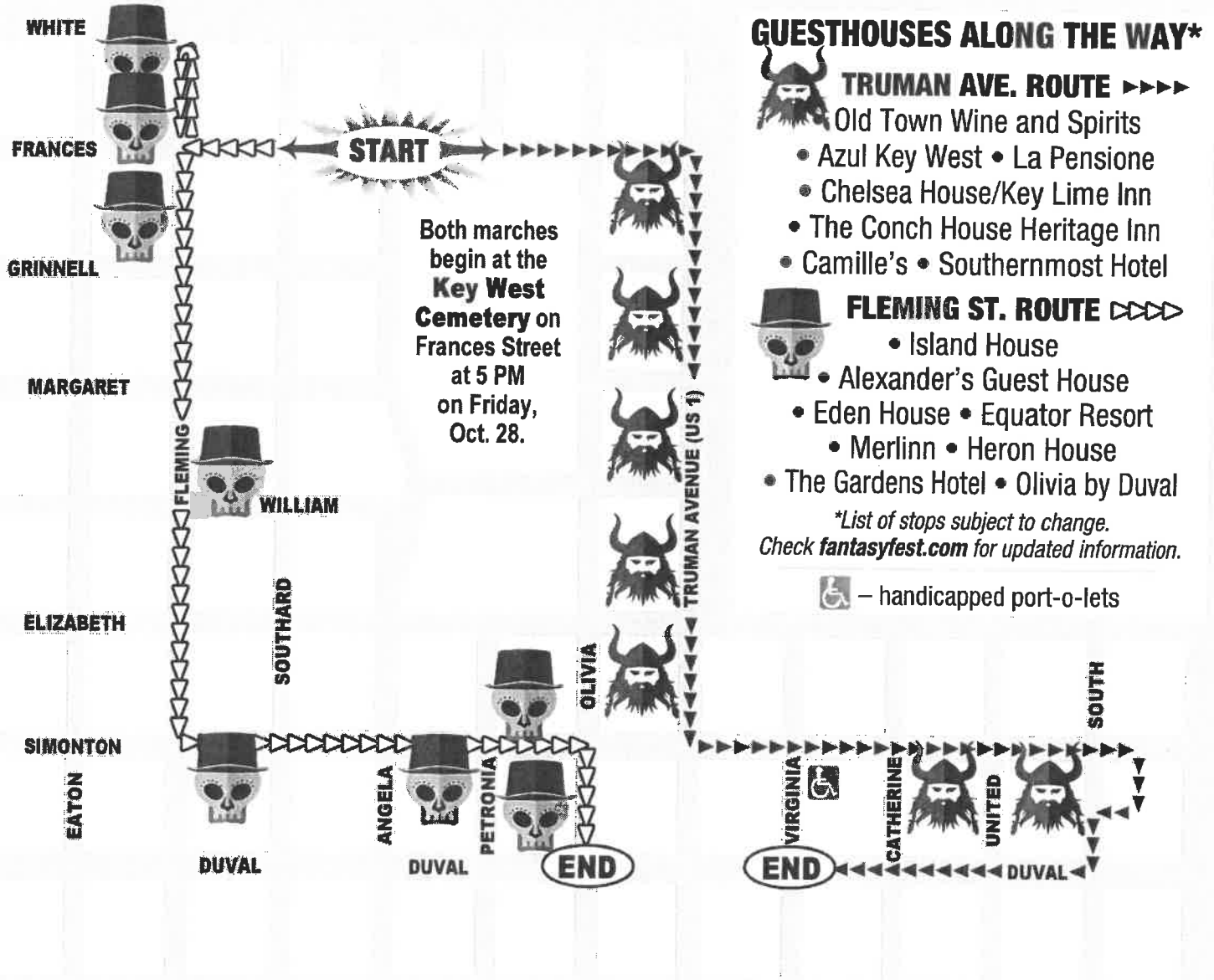
- FRIDAY (FOOD/ARTS & CRAFTS)



- SATURDAY (FOOD)

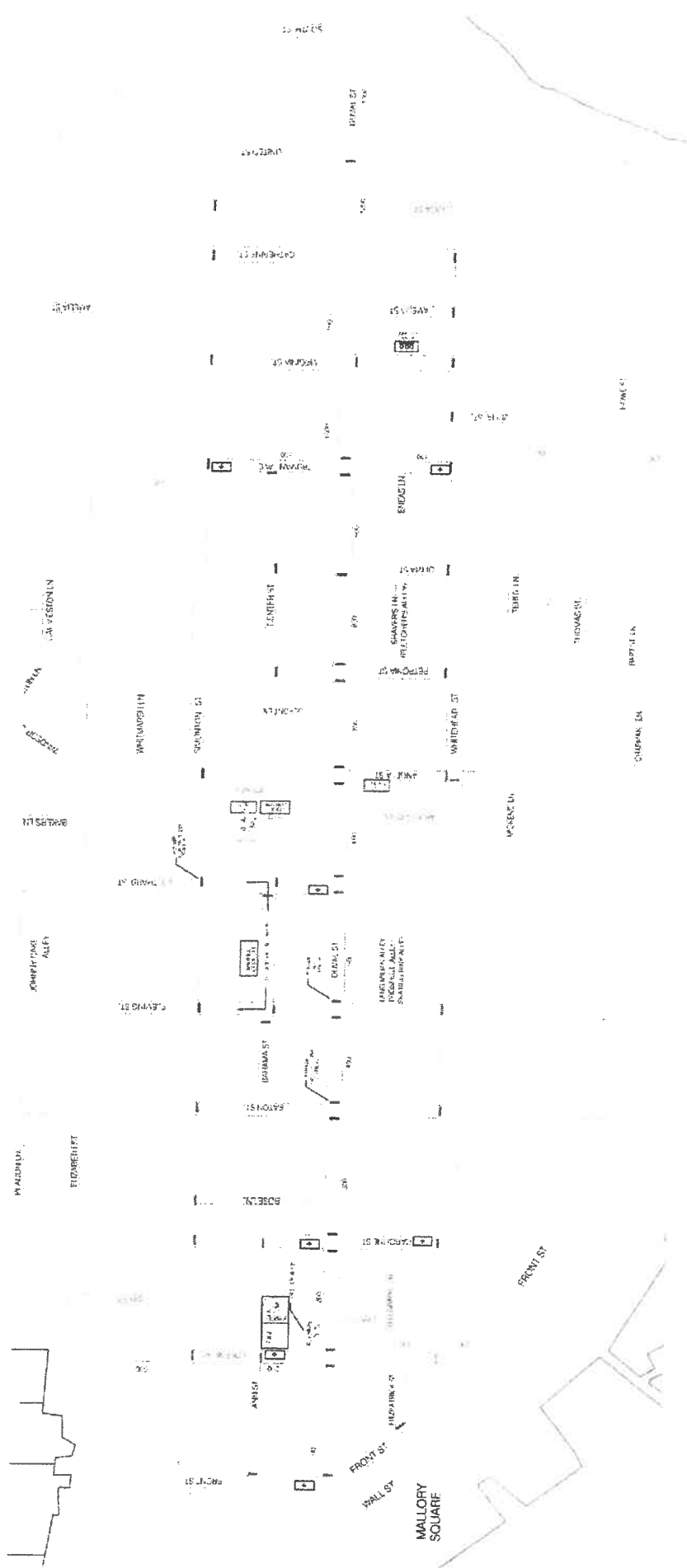
Exhibit "B"

MASQUERADE MARCH 2016









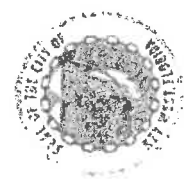
Feel free to join the Masquerade March as a moving mosaic of costumed revelers strut their wacky costumes through Old Town. The march begins at the Frances Street entrance of the Key West Cemetery. One route winds south to Truman Avenue (▶▶▶▶) and the other one makes its way north for Fleming Street (◀◀◀◀).

LEGEND: – cocktail stops on the Fleming route – cocktail stops on the Truman route – handicapped port-o-lets



NOTE: GATOR 1 AND GATOR 2 - INSIDE PARADE ROUTE FLOATING

-  KWPD LOCATIONS
-  RESCUE LOCATIONS
-  APPROX. 30 HARD ST CLOSURES THROUGHOUT EVENT
-  TEMPORARY CLOSURE FOR STREET FAIR 5-7 PM
-  TEMPORARY CLOSURE FOR STREET FAIR
-  TEMPORARY CLOSURE CONTROLLED BY KWDOT FOR SHUTTLE



CITY OF KEY WEST
ENGINEERING SERVICES

DWG. NO.: D-069 10-1-07
PUBLICWORKS/Infrastructure/07/2007

Exhibit "D"

FANTASY FEST PARADE ROUTE

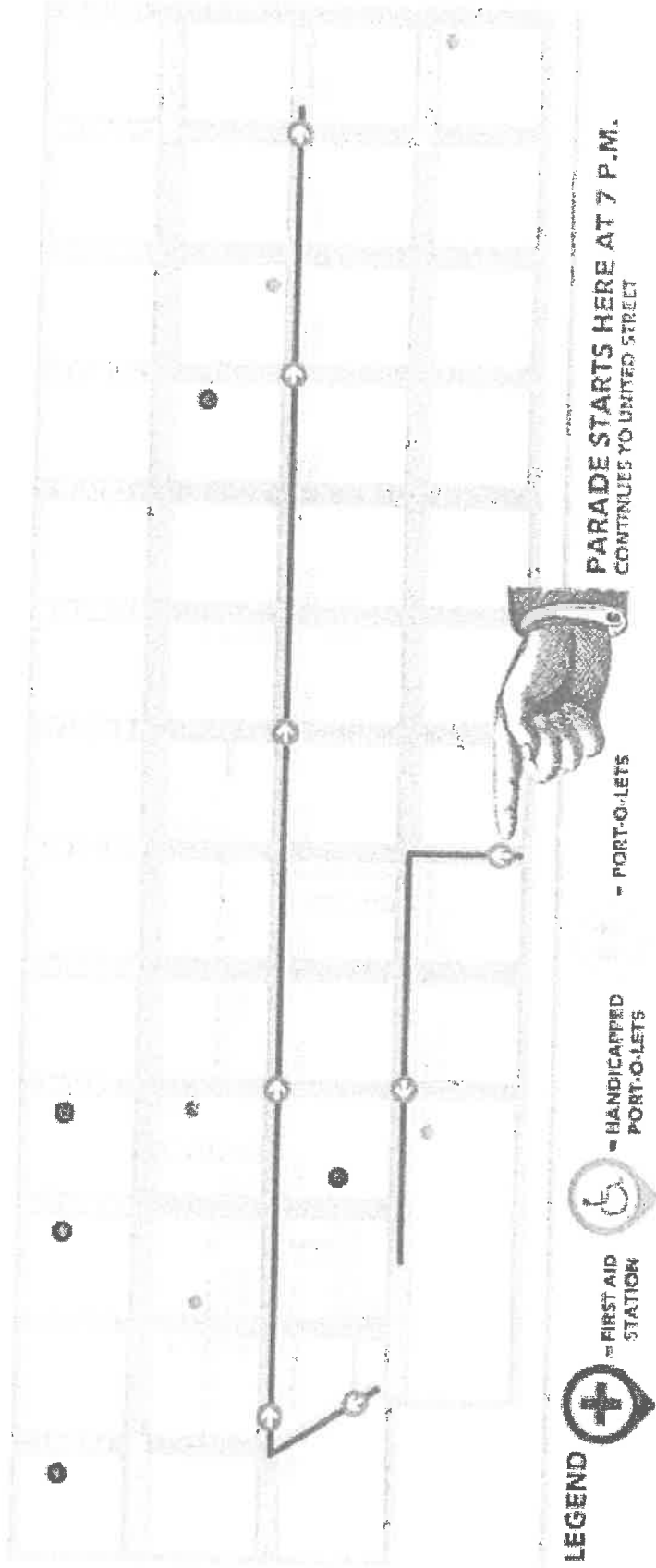


Exhibit "E"



THE CITY OF KEY WEST

P.O. BOX 1409
KEY WEST, FL 33041-1409

FANTASY FEST 2016-2020 **REQUIREMENTS FOR THE EMPLOYMENT OF** **OFF DUTY KEY WEST POLICE OFFICERS**

Cost for the police officers working special details will be negotiated between Officer Steve Torrence and the Fantasy Fest Committee. If, for any reason, there is a change in the scheduled reporting time for police officers, you must contact the Special Event Coordinator Steve Torrence at (305) 809-1007 at least twenty-four hours in advance of the scheduled reporting time of the officer(s). Failure to notify Officer Torrence within the specified time will obligate you to pay the officer(s) the four hour minimum required by the police union.

Should the Key West Police Department determine additional security is required, additional officers(s) will be assigned. Costs for any additional officers will be dependent upon the availability of off-duty officers.

Exhibit "F"

Key to the Caribbean – Average yearly temperature 77° F.



THE CITY OF KEY WEST

P.O. BOX 1409
KEY WEST, FL 33041-1409

Estimates Fantasy Fest 2016

SERVICE	COST
Key West Police Department	\$ 42,388.57
Key West Fire Department	\$ 25,286.01
Transportation	\$ 5,346.25
Code Enforcement	\$ 2,020.10
Parking	\$ 1,577.95
Community Services	\$ 207,527.66
Total Cost for 2015	<hr/> \$ 284,146.54

Exhibit "G"

Key to the Caribbean – Average yearly temperature 77° F.



THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

MEMORANDUM

TO: Jim Scholl, City Manager

FROM: Greg Veliz, Assistant City Manager

DATE: April 1, 2016

SUBJECT: 5 year Agreement with Tourist Development Association, Inc. for the Annual Fantasy Fest celebration.

Action Statement:

Authorizing City Manager to enter into negotiations for five (5) year Contract with the Tourist Development Association, Inc. (TDA) for the Annual Fantasy Fest Celebration held in October.

Purpose and Justification:

At the City Commission Meeting held March 16, 2016, a Resolution was on the agenda to approve a 1 year agreement extending the current contract with TDA. The item was postponed to allow staff time to compile cost associated for services provided by The City of Key West not accounted in the original agreement.

Background:

To begin the process, City Staff met with all contributing departments to establish what numbers could be reduced mainly by eliminating functions that although performed before Fantasy Fest, are regular annual operations (attached please find all reductions and justifications).

During these detailed evaluations, staff also discovered additional cost related to Police Department hours of \$17,792.00 plus \$7,920.00 for housing out of town officers.

Following the evaluation of Fantasy Fest cost, City Staff feels as though a new total of \$240,413.00 is more realistic.

Representatives of the City met with TDA and Market Share to iron out a more long term and equitable agreement. During this meeting, the City offered TDA a financial agreement that includes the \$62,747.11 CAP currently in place and a five year agreement that includes a \$10,000.00 per year increase, bringing Fantasy Fest's contribution to \$112,747.11 or roughly half of the total cost incurred. TDA countered with an offer of \$10,000.00 increase followed by a 5% increase for each of the four years of the agreement.

Key to the Caribbean – Average yearly temperature 77° F.

City staff could not support TDA's counter and suggested that it would place an item before the City Commission with a \$10,000.00 first year increase and a \$5,000.00 increase for each of the following four years as a possible compromise. This would bring Fantasy Fest's total contribution of \$92,747.11.

Options:

1. Authorize City Manager to negotiate a contract with TDA for Fantasy Fest with a tentative Financial Agreement. Further discussion is necessary on many aspects of the festival that both parties have not been able to come to an agreement, such as:
 - o Nudity
 - o Fantasy Zone

Recommendation:

1. Agree in principle with offer of \$10,000.00 first year increase with a \$5,000.00 increase for the following four years.
2. Revert back to City's initial offer of \$10,000.00 per year increase, which TDA rejected.
3. Reject all Offers